



April 2024 Insights

FY24 Clean Water SRF Base Appropriation and BIF Funding

The final FY24 appropriation for the Clean Water SRF state allocations is \$851.3M, included in the six-bill omnibus appropriations act (House Consolidated Appropriation Act, P.L. 118-43, March 9, 2024). The overall funding for the SRF is \$1.639B, which the Coalition supported, but from which earmarks were subtracted (see following), which the Coalition did not support. In addition to the \$851.3M is \$2.628B from the Bipartisan Infrastructure Law which was not addressed in the FY24 general appropriations process. The BIF expires at the end of FY26.

FY24 Clean Water SRF Earmarks

The final FY24 appropriation for Clean Water SRF earmarks is \$787.7M which is basically the sum of the House earmarks (\$470M plus the Senate earmarks (\$345M). The earmarks are a takedown from the base allocation of \$1.639B. The Coalition supported the lower Senate number as the maximum for earmarks and opposed whatever the final amount as a takedown. In addition, the Coalition continues to pursue discussions with the Hill and CWSRF stakeholders regarding appropriations for SRF baseline funding and related earmarks as a takedown. For FY24, 48% of CWSRF funding went to earmarks.

FY24 Safe Drinking Water SRF Base Appropriation and BIF Funding

The final FY24 appropriation for the Safe Drinking Water SRF state allocations is \$494.3M, also included in the six-bill omnibus appropriations act. The overall funding for the SRF is \$1.126B, which the Coalition supported, but from which earmarks were subtracted (see following), which the Coalition did not support. In addition to the \$494.3M is \$2.628B from the Bipartisan Infrastructure Law which was not addressed in the FY24 general appropriations process.

FY24 Safe Drinking Water SRF Earmarks

The final FY24 appropriation for Safe Drinking Water SRF earmarks is \$631.7M which is basically the sum of the House earmarks (\$410.3M) plus the Senate earmarks (\$243.6M). The earmarks are a takedown from the base allocation of \$1.126B. The Coalition supported the lower Senate number as the maximum for earmarks and opposed whatever the final amount as a takedown. Again, the Coalition continues to pursue discussions with the Hill and SRF stakeholders regarding appropriations for SRF baseline funding and related earmarks as a takedown. For FY24, 56% of SDWSRF funding went to earmarks.

FY24 WIIN Grants Appropriation and BIF Funding

The final FY24 appropriation for the WIIN Grant program is \$20M, also included in the omnibus six-bill act. The \$20M, which the Coalition supported, was included in both the House-passed and Senate-reported Energy and Water Appropriations bills (H.R. 4394 and S.2443 respectively).

Given that, there was no issue in the appropriations conference. The President's FY24 budget proposed \$4M. In addition, the BIF provides \$550M over five years for both authorized and unauthorized Title XVI projects, including WIIN grant projects.

FY24 Remaining Appropriation Bills

On March 23, the Congress passed and the President signed into law (public law designation not yet available) the final six-bill for FY24, \$1.2T, some highlights – 24% increase in DHGS detention, beds for migrants, funding for 22,000 Border Patrol agents, 12,000 additional Special Immigrant Visas for Afghan allies, \$1B for child care and Head Start programs, \$120M for cancer research, \$00M for Alzheimer funding, funding for a new FPI headquarters, and no member COLA.

President's FY25 Budget

The President's FY25 Budget proposes \$1.240B for the Clean Water SRF, \$1.126B for the Safe Drinking Water SRF, no SRF funding for related earmarks, and \$4M for the WIIN Grant program.

FY25 Appropriations Timetable

The President's Budget was released on March 11. Both Appropriations Committees will spend approximately the next two months on agency budget hearings. Markups likely in June with the House to be ahead of the Senate on action. Where the process goes from that point is unclear. Too many unknowns – what will be the baseline (FY24, 23, 22?), what of the concern of Members having to take tough funding votes before the November election, what of the concern regarding Members who are leaving Congress and them voting on funding issues when they won't be here, and what about the uncertainty of what happens in the election? Given all this, most likely scenario is a CR at the end of September until sometime next February.

FY25 House Congressional Budget Resolution

Congress never did an FY24 Budget Resolution. The House Budget Committee has announced it will move ahead with an FY25 resolution. Hearings have begun. More updates forthcoming.

Highlights of the FY24 House Republican Budget Committee budget resolution (the Senate Budget Committee took no action on a FY24 resolution and, to date, no FY25 plans have been announced) -

- FY24 discretionary spending at the FY22 level of \$1.47T;
- Spending to grow by only 1 percent a year;
- Discretionary spending to come down by \$4.6T over a decade;
- Deficits to be reduced by \$16.3T over a decade; and,
- A surplus of \$130B at the end of ten years.

STREAM Act (S.2162) Next Steps

Discussions continue between staffs of Senators Padilla and Butler and the Environment and Public Works Committee on the bill text and timing. No details forthcoming on either.

The bill was introduced on June 22 by Senator Feinstein with Senators Sinema (I-AZ) and Kelly (D-AZ)) as cosponsors. On July 19, a hearing was held on the bill by the Subcommittee on

Water and Power of the Energy and Natural Resources Committee. On May 24, at the request of staff of Senator Feinstein, the Coalition sent a letter of support for the the bill regarding its plan introduction. The bill includes the following: \$300M over five years for water recycling, \$750M for surface and groundwater storage and conveyance projects, \$150M for desalination projects, \$100M for projects to provide drinking water for disadvantaged communities, and \$250M for environmental restoration projects. The Napolitano office said that they are monitoring action on the bill to decide next steps.

Garamendi Permitting Amendment

On March 21, the Garamendi amendment passed the House by voice vote and the bill, as amended, H.R. 7023, the “Creating Confidence in Clean Water Permitting,” then passed by a vote of 213-205. Action now turns to the Senate. The amendment would allow the U.S. EPA to issue NPDES permits for public works - such as wastewater treatment or water recycling/ reuse plants owned/operated by local governments – for up to 10 years as opposed to 5 years under current law. The Coalition is included in the list of supporting endorsements.

Issues/Bills of Interest

Alternative Water Source Program Funding – pursue funding as the Program was authorized at \$125M in the Bipartisan Infrastructure Law but not funded. Included the language the Coalition requested that makes USBR recycled water projects that have not received construction funds eligible to apply for AWSP grants.

Mega Recycled Water Project Funding – pursue funding for mega recycled water projects over and above the \$450M provided in the Bipartisan Infrastructure Law.