



# washington dc update

July 13, 2011

## Updates on FY12 SRF Funding

One of the “Big Three” issues we are concentrating on with regard to Federal policy as it affects the Arid West is the impact of severe cuts in Federal water and wastewater infrastructure spending. This prominently includes the USEPA State Revolving Loan Program.

Yesterday, the full House Appropriations Committee marked up the FY12 Interior and Environment Appropriations bill. Here is an important portion of the accompanying Committee report:

*“During calendar year 2009, the Committee provided over \$11 billion for water and wastewater infrastructure assistance. In April, 2011, the Committee provided an additional \$2.49 billion in unobligated SRF balances yet to be transferred to States. In addition, the States have yet to spend \$3.57 billion that the Federal government has allocated for drinking water and wastewater products. The Committee believes that EPA and the States must continue to push this \$6.4 billion through the queue in order to address the pressing infrastructure needs of the nation. As a result, and in light of mounting budget pressures, the bill provides funding at the fiscal year 2008 enacted levels for the Clean Water and Drinking Water State Revolving Funds: \$689,000,000 and \$829,000,000 respectively.”*

Using our hand-held calculators, we can't quite get our arithmetic to agree with the Committees' in terms of unobligated funds, but the implications are the same and that is that \$2.49 billion from the FY11 Continuing Resolution has yet to be sent to the State SRF programs and that the States have yet to spend \$3.57 billion of money they already have.

If you are in the market for SRF money, this might be a good moment to call your State SRF pass-through agency and check on the unobligated balances they may have.

Just another reminder that there is frequently money in the system even when the headlines say otherwise.

### Summary & Take-Away .

#### SRF Update

A brief Update, but one with an **important message**: funds can and do exist in the system when the headlines say otherwise. Unobligated SRF balances amount to just over \$6.0 billion. The paragraph provided from the Committee's report is important to read.

#### Take-Away:

Severe cuts to new water and wastewater infrastructure funding should be considered in light of the already appropriated, unspent funds—certainly the House Appropriations Committee recognizes this fact. So, the effort is two-fold: encourage Congress to continue to fund infrastructure and urge State pass-through agencies to obtain and obligate unspent funds.

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