



NATIONAL CONFERENCE *of* STATE LEGISLATURES

The Forum for America's Ideas

February 26, 2014

Bruce W. Starr
*Senator
Oregon
President, NCSL*

Thomas W. Wright
*Chief of Staff to Speaker
Alaska
Staff Chair, NCSL*

William T. Pound
Executive Director

The Honorable Barbara Boxer
Chairman
Environment and Public Works Committee
United States Senate
112 Hart Senate Office Building
Washington D.C., 20510

The Honorable David Vitter
Ranking Member
Environment and Public Works Committee
United States Senate
516 Hart Senate Office Building
Washington D.C., 20510

The Honorable Bill Shuster
Chairman
Transportation and Infrastructure Committee
United States House of Representatives
2165 Rayburn House Office Building
Washington D.C., 20515

The Honorable Nick J. Rahall II
Ranking Member
Transportation and Infrastructure Committee
United States House of Representatives
2165 Rayburn House Office Building
Washington D.C., 20515

Re: Water Infrastructure Financing within the Water Resources Development Act

Dear Chairman Boxer, Senator Vitter, Chairman Shuster and Representative Rahall:

On behalf of the National Conference of State Legislatures (NCSL) we would like to thank you for your work to finalize the necessary legislation to reauthorize funds for water resource development and maintenance. As you and your colleagues within the conference committee continue negotiations over a water resources development bill, including the possible creation of a water infrastructure financing authority, we would like to make you aware of NCSL's Water Infrastructure Financing Policy Resolution.

During NCSL's 2013 Annual Legislative Summit the conference adopted the attached policy resolution on recommendations to Congress on water infrastructure financing. In order for any NCSL policy to pass the conference it must be approved by a supermajority, ensuring broad bi-partisan support from state legislatures.

The Water Infrastructure Financing Policy Resolution includes a number of recommendations to Congress if the creation of a water infrastructure financing innovations authority moves forward, as proposed in S. 601 The Water Resources and Development Act of 2013. First, Congress should ensure funds are not drawn from the State Revolving Loan Funds (SRF), and that

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the authority is used in addition to, not in place of other funding streams for providing states with water infrastructure aide.

NCSL would also encourage Congress to ensure states have maximum flexibility to decide how existing and enhanced funds should be used to address their increasing water infrastructure needs. Additionally, NCSL urges Congress to enhance states' abilities to appropriately leverage private financing and attract new investments for water infrastructure by lifting existing restrictions on state and local governments use of tax-exempt bonds.

NCSL remains committed to a strong state-federal partnership on water infrastructure financing and efforts to address the needs of the nation's aging water infrastructure systems. We would encourage the conference committee to consider our attached water infrastructure financing policy for further recommendations on changes needed for the state revolving loan funds that could enhance water infrastructure financing for the states.

As a reminder, NCSL previously voiced its support for inclusion of provisions in the reauthorization that would ensure full use of the harbor maintenance trust fund for its intended use. We have attached copies of those letters for your reference.

We would welcome the opportunity to further discuss our position on water infrastructure financing and the harbor maintenance trust fund, and hope the committee will take our policies into consideration as it works to reauthorize a water resources development bill. Please contact Ben Husch (ben.husch@ncsl.org) or Melanie Condon (melanie.condon@ncsl.org) for any additional information.

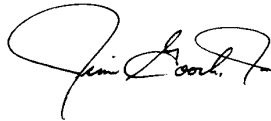
Sincerely,



Senator John McCoy, Washington
Co-Chair, NCSL Natural Resources and
Infrastructure Committee



Senator Ross Tolleson, Georgia
Co-Chair, NCSL Natural Resources and
Infrastructure Committee



Representative Jim Gooch Jr., Kentucky
Co-Chair, NCSL Natural Resources and
Infrastructure Committee



Senator John C. Watkins, Virginia
Co-Chair, NCSL Natural Resources and
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Attached: [National Conference of State Legislatures Water Infrastructure Financing Policy Resolution](#)
[NCSL Letter to Chairman Shuster and Representative Rahall on the Harbor Maintenance Trust Fund](#)
[NCSL Letter to Chairman Boxer and Senator Vitter on the Harbor Maintenance Trust Fund](#)