



April 28, 2021

The Honorable Charles Schumer  
Majority Leader  
U.S. Senate  
Washington, D.C. 20510

The Honorable Nancy Pelosi  
Speaker  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Mitch McConnell  
Minority Leader  
U.S. Senate  
Washington, D.C. 20510

The Honorable Kevin McCarthy  
Minority Leader  
U.S. House of Representatives  
Washington, D.C. 20515

**Robin Vos**  
Assembly Speaker  
Wisconsin  
President, NCSL

**Martha R. Wigton**  
Director  
House Budget & Research  
Office  
Georgia  
Staff Chair, NCSL

**Tim Storey**  
Executive Director

Dear Speaker Pelosi, Majority Leader Schumer, Minority Leader McConnell, and Minority Leader McCarthy:

On behalf of the National Conference of State Legislatures (NCSL), the bipartisan organization representing the legislatures of our nation's states, commonwealths, territories and the District of Columbia, I write to reinforce the importance of a state-federal partnership on critical infrastructure priorities. As Congress begins to draft and act on infrastructure legislation, I urge you to consult with state legislatures to ensure that federal investments address the unique needs of the states. It is also critical that Congress provides stable and predictable federal funding for state infrastructure needs so that states have funding certainty from year to year.

Increased investment in the nation's infrastructure is critical as it eliminates public safety hazards, increases business productivity and job creation, and improves overall quality life—all of which will be more important than ever as the nation enters post-pandemic economic recovery. State governments, Congress and the administration must work together to provide much needed investments to enhance our prosperity and quality of life. To this end, NCSL respectfully asks for congressional support and collaboration on the following priorities:

**Investing in Transportation Infrastructure:**

Aging systems and growing transportation needs combined with a lack of sufficient funding and proper financing mechanisms, are significant challenges facing our transportation system. States are at the forefront of infrastructure innovation. They understand that modern, well-maintained infrastructure that efficiently transports people, goods and services forms the basis of smoothly running economies. To ensure the transportation needs of tomorrow are met, NCSL requests input and partnership with Congress to:

- Increase federal expenditures in our nation's transportation system, while supporting a new, innovative, user-fee, formula-based transportation funding and financing mechanism.

- Ensure a dedicated source of federal funding for passenger rail service and support investment tax credits for railroad infrastructure to expand capacity for the movement of both passengers and freight.
- Ensure our nation's ports, harbors and channels receive adequate federal funds to remain competitive globally and for expansion, modernization and repair.
- Ensure efforts to streamline regulatory review processes continue so that construction projects can be completed on-time and on-budget. States' programmatic permitting should be allowed and enhanced as it increases efficiency by considering actions on a program basis rather than individually.
- Prioritize incentives to states to achieve environmental quality standards through transportation projects, rather than prescriptive federal regulation and punitive funding actions.

### **Increasing Investments in Water Infrastructure:**

The nation's water infrastructure is rapidly aging and federal investments have not kept up with the nation's drinking and wastewater needs. The Environmental Protection Agency estimates that over the next 20 years the nation's drinking water and wastewater infrastructure will require nearly \$750 billion to maintain current levels of service, and the Congressional Budget Office has found the current federal share of water and wastewater capital investment at just 4%, from 31% in the 1970s, leaving states and localities to fill the gap. In order to ensure states can meet today's water needs and prepare for tomorrow's, Congress, in consultation with states, must:

- Reauthorize existing federal programs such as the Drinking Water State Revolving Fund, and the Clean Water State Revolving Fund at levels commensurate with state needs, and recognize the SRF funds as integral state-federal partnerships, which provide low-cost, flexible, financing for critical water infrastructure projects.
- Provide states appropriate levels of federal financial assistance to develop and maintain the capacity needed to implement all mandated objectives of the Safe Drinking Water Act.

### **Investing in Disaster Mitigation and Electric Grid Resiliency:**

As the frequency and severity of catastrophic weather events such as wildfires, severe storms, and droughts, builds across the nation, state policy has become a primary conduit for solutions. In 2019 and 2020, states enacted over 200 bills related to natural disasters, with at least 70 of these bills aimed at improving infrastructure resilience. Despite the ongoing challenge of balancing competing priorities for limited funding in state budgets, two-thirds of states enacted legislation appropriating funds or developing financial incentives for resilience activities. NCSL urges Congress to:

- Provide a dedicated, flexible, and predictable federal funding stream to states and territories before a disaster strikes, for mitigation activities.
- Ensure timely appropriation of additional aid to disaster-stricken states and territories.
- Build a secure and sustainable energy future by investing in the nation's electric grid system to make it more efficient, and resilient, recognizing the value of the electric power grid as an asset that must be maintained, improved, and supported by all who use and operate it. Make investments to modernize and expand electric transmission and distribution systems, which are integral to ensuring grid reliability.

- Promote incentives for development and optimal use of all energy resources—including clean energy technologies and new facility infrastructure.

### **Ensuring Broadband Affordability and Access for all Communities:**

The need for greater investment in the nation’s broadband infrastructure has never been more apparent. Even as the world has moved into the virtual arena, too many of our citizens have been left with insufficient or unaffordable connectivity. Our country needs ubiquitous, affordable broadband to truly unlock the potential of technological advances ranging from smart infrastructure to healthcare. Broadband is fundamental in furthering the education, economic development, and health of all Americans and states want to close the digital divide. NCSL urges Congress to:

- Work with states to develop an integrated broadband strategy to ensure universal deployment and affordable access to every constituent, regardless of geography or economic status.
- Ensure equal access to broadband internet across all regions through funding for both unserved and underserved areas.
- Support flexibility for state policymakers and regulators in direct or grant-based funding and data collection.

### **Preserving Tax-exempt Financing**

NCSL recognizes that resources for infrastructure are strained, therefore new and flexible funding sources are vital to the success of states in modernizing their infrastructure. In these uncertain economic times, Congress must:

- Restore the ability of states to finance public infrastructure in a manner that is cost-effective and consistent with principles of preserving fiscal viability and tax reform. As Congress looks for how to pay for this infrastructure, tax-exempt financing for infrastructure and capital projects, including the use of public-private partnerships must be preserved.

NCSL staff look forward to continuing our work with Congress on a long-term infrastructure plan that makes much needed critical investments in our nation. If you have any questions, please do not hesitate to contact NCSL staff, Kristen Hildreth, [kristen.hildreth@ncsl.org](mailto:kristen.hildreth@ncsl.org), or Abbie Gruwell, [abbie.gruwell@ncsl.org](mailto:abbie.gruwell@ncsl.org).

Sincerely,



Tim Storey  
Executive Director  
National Conference of State Legislatures