

United States Senate

WASHINGTON, DC 20510

March 3, 2005

The Honorable Judd Gregg
Chairman
Committee on the Budget
United States Senate
Washington, DC 20510

The Honorable Kent Conrad
Ranking Member
Committee on the Budget
United States Senate
Washington, DC 20510

Dear Chairman Gregg and Ranking Member Conrad:

As you prepare the fiscal year 2006 budget resolution, we urge you to restore funding for the Clean Water State Revolving Funds (SRF) to at least the fiscal year 2004 level of \$1.35 billion. The proposed cuts would have a devastating impact on the ability of our states and communities to continue upgrading their wastewater infrastructure and meeting Clean Water Act requirements; the attached table shows the state by state impacts. We urge you to support the President's request for \$850 million for the Drinking Water State Revolving Funds, which help communities ensure safe drinking water.

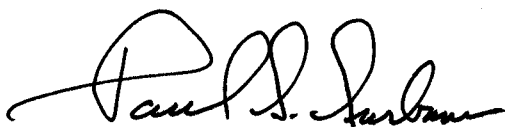
Despite important progress over the last three decades, EPA reports that 40 percent of our nation's waters are still too impaired for fishing or swimming. Discharges from aging and failing sewerage systems, urban storm water and other sources continue to pose serious threats to our nation's lakes, rivers and estuaries, endangering not only public health but fishing and recreation industries. Population growth and development are placing additional stress on the nation's water infrastructure and its ability to sustain hard-won water quality gains.

The President's budget proposes to cut the Clean Water SRF by more than 33 percent, which will exacerbate the current spending gap to address water infrastructure. In May 2002, the Congressional Budget Office released a report that estimated the spending gap for Clean Water needs between \$132 billion and \$388 billion over 20 years and the spending gap for drinking water needs at between \$70 billion and \$362 billion over 20 years. In September 2002, the EPA released a *Clean Water and Drinking Water Infrastructure Gap Analysis*, which found that there will be a \$535 billion gap between current spending and projected needs for water and wastewater infrastructure by 2019 if additional investments are not made. In fiscal years 2004 and 2005, the Senate Budget Resolution supported \$3.2 billion for the Clean Water SRF and \$2 billion for the Drinking Water SRF in order to address this financial need for infrastructure projects.

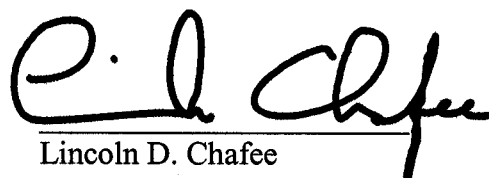
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Letter to the Budget Committee
FY06 Clean and Safe Drinking Water State Revolving Loan Funds

The federal government must sustain a strong partnership with states and local governments to avert this massive projected funding gap and share in the burden of maintaining and improving the nation's water infrastructure. We urge you to restore funding for the Clean Water SRF to \$1.35 billion and maintain funding for the Drinking Water SRF at \$850 million as an absolute minimum level for protecting the safety of our water.

Sincerely,



Paul S. Sarbanes



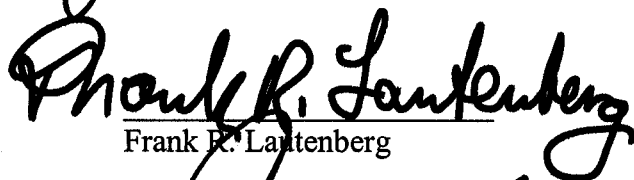
Lincoln D. Chafee



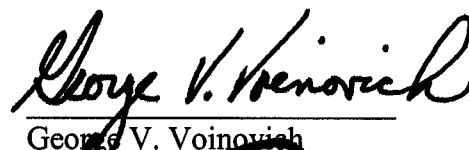
James M. Jeffords



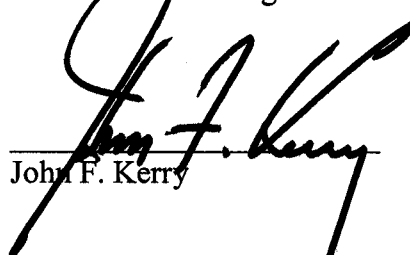
Barbara Boxer



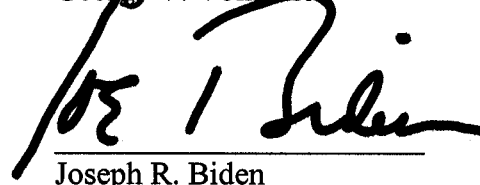
Frank R. Lautenberg



George V. Voinovich



John F. Kerry



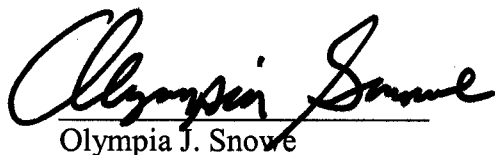
Joseph R. Biden



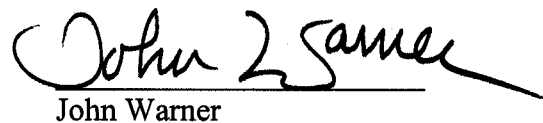
Richard Durbin



Debbie Stabenow



Olympia J. Snowe



John Warner

Hillary Rodham Clinton

Hillary Rodham Clinton

Ed Kennedy

Edward M. Kennedy

Herb Kohl

Herb Kohl

Max Baucus

Max Baucus

Ron Wyden

Ron Wyden

Arlen Specter

Arlen Specter

Jeff Bingaman

Jeff Bingaman

Patrick Leahy

Patrick J. Leahy

Jack Reed

Jack Reed

Maria Cantwell

Maria Cantwell

Gordon H. Smith

Gordon H. Smith

Tom Harkin

Tom Harkin

Patty Murray

Patty Murray

Mary L. Landrieu

Mary L. Landrieu

Russell D. Feingold

Russell D. Feingold

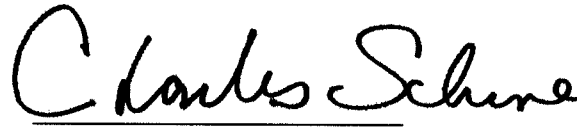
Dianne Feinstein

Dianne Feinstein

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FY06 Clean and Safe Drinking Water State Revolving Loan Funds




Joseph I. Lieberman




Charles E. Schumer



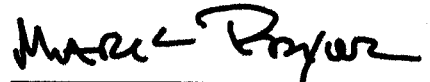
Christopher J. Dodd



Mike DeWine



Tim Johnson



Mark L. Pryor



Norm Coleman



Barack Obama



Daniel Inouye



Barbara Mikulski



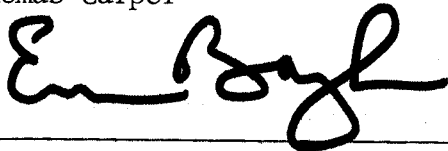
Thomas Carper



Daniel Akaka



Mark Dayton



Evan Bayh

CWSRF: Estimated Impact of the Fiscal 2006 Budget Proposal on State Allotments with Appropriations at \$730 Million

Northeast-Midwest Institute calculations based on information from the president's fiscal 2006 budget proposal on Clean Water State Revolving Funds and data from the U.S. Environmental Protection Agency. Allotments exclude dollars for Puerto Rico, the territories, and Indian Tribes. Fiscal 2006 estimates for state dollars are based upon shares of total program funding in fiscal 2005.

State or Region	Fiscal 2004 Allotments for \$1.34 Billion	Fiscal 2005 Allotments for \$1.09 Billion	Estimated Fiscal 2006 Allotments (Proposed)	Difference Fiscal 2005 to Fiscal 2006 (Proposed)	Difference Fiscal 2004 to Fiscal 2006 (Proposed)
Alabama	14,968,800	12,171,000	8,142,256	-4,028,744	-6,826,544
Alaska	8,011,900	6,514,400	4,358,057	-2,156,343	-3,653,843
Arizona	9,041,600	7,351,700	4,918,201	-2,433,499	-4,123,399
Arkansas	8,757,100	7,120,300	4,763,397	-2,356,903	-3,993,703
California	95,741,300	77,846,600	52,078,462	-25,768,138	-43,662,838
Colorado	10,708,100	8,706,700	5,824,680	-2,882,020	-4,883,420
Connecticut	16,399,600	13,334,400	8,920,557	-4,413,843	-7,479,043
Delaware	6,571,800	5,343,500	3,574,739	-1,768,761	-2,997,061
District of Columbia	6,571,800	5,343,500	3,574,739	-1,768,761	-2,997,061
Florida	45,187,000	36,741,300	24,579,499	-12,161,801	-20,607,501
Georgia	22,633,900	18,403,500	12,311,726	-6,091,774	-10,322,174
Hawaii	10,367,900	8,430,100	5,639,638	-2,790,462	-4,728,262
Idaho	6,571,800	5,343,500	3,574,739	-1,768,761	-2,997,061
Illinois	60,543,600	49,227,600	32,932,687	-16,294,913	-27,610,913
Indiana	32,261,900	26,231,900	17,548,833	-8,683,067	-14,713,067
Iowa	18,117,700	14,731,400	9,855,134	-4,876,266	-8,262,566
Kansas	12,083,300	9,824,900	6,572,743	-3,252,157	-5,510,557
Kentucky	17,037,600	13,853,200	9,267,628	-4,585,572	-7,769,972
Louisiana	14,716,000	11,965,500	8,004,779	-3,960,721	-6,711,221
Maine	10,362,600	8,425,800	5,636,761	-2,789,039	-4,725,839
Maryland	32,377,000	26,325,600	17,611,518	-8,714,082	-14,765,482
Massachusetts	45,450,400	36,955,400	24,722,729	-12,232,671	-20,727,671
Michigan	57,560,200	46,801,800	31,309,855	-15,491,945	-26,250,345
Minnesota	24,604,700	20,006,000	13,383,779	-6,622,221	-11,220,921
Mississippi	12,060,800	9,806,600	6,560,500	-3,246,100	-5,500,300
Missouri	37,110,300	30,174,100	20,186,119	-9,987,981	-16,924,181
Montana	6,571,800	5,343,500	3,574,739	-1,768,761	-2,997,061
Nebraska	6,847,100	5,567,300	3,724,458	-1,842,842	-3,122,642
Nevada	6,571,800	5,343,500	3,574,739	-1,768,761	-2,997,061
New Hampshire	13,377,800	10,877,400	7,276,853	-3,600,547	-6,100,947
New Jersey	54,703,800	44,479,300	29,756,130	-14,723,170	-24,947,670
New Mexico	6,571,800	5,343,500	3,574,739	-1,768,761	-2,997,061
New York	147,758,000	120,140,700	80,372,719	-39,767,981	-67,385,281
North Carolina	24,160,000	19,644,300	13,141,806	-6,502,494	-11,018,194
North Dakota	6,571,800	5,343,500	3,574,739	-1,768,761	-2,997,061
Ohio	75,361,500	61,276,000	40,992,925	-20,283,075	-34,368,575
Oklahoma	10,815,300	8,793,800	5,882,949	-2,910,851	-4,932,351
Oregon	15,122,300	12,295,900	8,225,813	-4,070,087	-6,896,487
Pennsylvania	53,026,800	43,115,800	28,843,964	-14,271,836	-24,182,836
Rhode Island	8,988,700	7,308,600	4,889,368	-2,419,232	-4,099,332
South Carolina	13,714,000	11,150,800	7,459,754	-3,691,046	-6,254,246
South Dakota	6,571,800	5,343,500	3,574,739	-1,768,761	-2,997,061
Tennessee	19,446,600	15,811,900	10,577,976	-5,233,924	-8,868,624
Texas	61,185,600	49,749,600	33,281,899	-16,467,701	-27,903,701
Utah	7,053,600	5,735,200	3,836,782	-1,898,418	-3,216,818

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Vermont	6,571,800	5,343,500	3,574,739	-1,768,761	-2,997,061
Virginia	27,396,300	22,275,700	14,902,182	-7,373,518	-12,494,118
Washington	23,279,800	18,928,700	12,663,078	-6,265,622	-10,616,722
West Virginia	20,868,200	16,967,800	11,351,259	-5,616,541	-9,516,941
Wisconsin	36,190,400	29,426,200	19,685,783	-9,740,417	-16,504,617
Wyoming	6,571,800	5,343,500	3,574,739	-1,768,761	-2,997,061
U.S. Total	1,301,117,100	1,057,929,800	707,742,626	-350,187,174	-593,374,474