



## Rural America Needs Investment Now in Water and Wastewater Infrastructure for Coronavirus Relief

- Small and rural communities have done their part to meet the public's needs during the COVID-19 pandemic by maintaining and restoring customer access to water services regardless of payment. NRWA estimates small water and wastewater systems will lose \$998 million in revenue due to customer nonpayment alone. This lost revenue will never be recovered by utilities and does not include emergency operational costs.
- Most of the country's drinking water and wastewater utilities are small. Roughly 80 percent of the country's approximately 17,000 wastewater utilities serve populations less than 10,000 persons. Over 90 percent of the country's approximately 50,000 community water systems serve a populations less than 10,000 persons.
- Since 1937, the United States Department of Agriculture (USDA) has aided rural communities by providing direct assistance to obtain clean drinking water. The Rural Utilities Service (RUS) is the only federal agency created and supported by Congress to specifically target Rural America with direct affordable financing for water and wastewater services to small communities.

Rural America needs RUS to provide additional financing and servicing tools to address this economic crisis and foster economic development and public health protection by increasing affordable options to distressed communities.

### NRWA Suggestions for Congress

#### **New Affordable Tools for Rural Water Infrastructure Financing and Sustainability**

**Provide 0% and 1% loans through RUS:** Target this funding specifically to communities with limited resources. Low interest loans will help utilities provide necessary, affordable water and wastewater services to their customers. EPA currently has this authority.

**Protect the sustainability of existing borrowers:** Include additional flexibility for "forgiveness of principal and reducing loan debt" for existing borrowers. This is vitally important in communities that have experienced an economic downturn or disaster which has reduced the number of ratepayers.

#### **Disaster Assistance for Rural Water Utilities With Lost Revenue**

**Ensure continuity of operations for water utilities:** Provide RUS the permanent authority to use a portion of grant funding to address utilities' immediate needs for operational expenses. Grant funding is necessary to ensure continuity of essential services during a disaster or emergency when the rate payments are reduced or eliminated as a direct result of the disaster or emergency.



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Providing RUS these additional tools will enhance and sustain economic development in small and rural communities and offer additional affordable options to communities with limited resources and economies of scale.

## **For More Information**

### **NRWA COVID-19 Resources**

[www.nrwa.org/covid-19](http://www.nrwa.org/covid-19)

### **National Water Utility Survey: Impacts of COVID-19 Emergency**

Since distributed, 4,915 water and wastewater utilities across 50 states & U.S. Territories responded. Currently, the survey has a 100 percent completion rate.

NRWA estimates small water and wastewater systems will lose \$998 million in revenue by mid-July. Drinking water systems are projected to lose \$817 million; wastewater systems are projected to lose \$181 million. These losses in revenue will not be recovered by utilities and does not include emergency operational costs such as staging additional shifts, isolating staff, modifying procedures for regulatory compliance, purchasing PPE, and additional equipment for remote work.

Survey Results: <https://bit.ly/2YILEzk>

Take the Survey: <https://www.surveymonkey.com/r/NRWACOV19>

**Please contact Bill Simpson, NRWA Director of Legislative Affairs  
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Headquartered in Duncan, Oklahoma the National Rural Water Association (NRWA) is the non-profit association of America's federated State Rural Water Associations with a combined membership of over 31,000 small and rural communities. NRWA is the country's largest water utility association and the largest community-based environmental organization. State Rural Water Associations are governed by elected board members from the utility membership. Our member utilities have the very important public responsibility of complying with all applicable federal regulations and for supplying the public with safe drinking water and sanitation every second of every day.