



**GREAT LAKES AND
ST. LAWRENCE**
CITIES INITIATIVE



June 2023

A Resolution Submitted by the City of Sheboygan, WI



Maximizing Critical Federal Funding for Lead Service Line Replacement

WHEREAS lead-based plumbing, especially lead service lines, can pose a threat to safe drinking water and public health in an estimated nine to ten million households across the United States.

AND WHEREAS there is no safe level of exposure to lead, as determined by the U.S. Environmental Protection Agency (EPA) and the Centers for Disease Control and Prevention.

AND WHEREAS children under the age of six are especially susceptible to the health effects of lead exposure which, as a heavy metal and a neurotoxin, can lead to lifelong intellectual, emotional and behavioral consequences.

AND WHEREAS adults are also vulnerable to lead exposure, leading to an increased risk of cardiovascular disease, hypertension, and organ failure and the exposure of pregnant women to lead can cause a fetus's prenatal exposure, resulting in stillbirth, miscarriage and developmental delays.

AND WHEREAS municipalities in the Great Lakes and St. Lawrence River Basin have some of the highest numbers of lead service lines in the United States and therefore face a disproportionate percentage of the risk to drinking water and public health.

AND WHEREAS many basin municipalities are striving to replace 100 percent of their lead service lines as efficiently and equitably as possible over the coming decade, but rely heavily on federal funding for lead service line replacement to ensure the financial burden does not fall on individual households and water systems.

AND WHEREAS several members of the Great Lakes and St. Lawrence Cities Initiative came together in 2020 to form a Mayors Commission on Water Equity in order to get the lead out and promote access to clean, safe and affordable water for all residents.

AND WHEREAS the Mayors Commission strongly supported passage of the \$1.2 trillion Infrastructure Investment and Jobs Act (IIJA), including an historic commitment of \$15 billion for lead service line replacement over the next five years through the Drinking Water State Revolving Funds (DWSRFs), an important investment towards the estimated \$60 billion or more needed to replace all lead service lines nationwide.

AND WHEREAS the Mayors Commission recognizes that the effective and equitable implementation of IJJA is critical to ensuring cities with the highest number of lead service lines receive the necessary funding to replace them.

AND WHEREAS states must provide 49 percent of the funding for lead service line replacement provided by the IJJA in the form of grants or forgivable loans to state-defined disadvantaged communities, with the remaining 51 percent either set aside and used for technical assistance, local capacity building and other allowable uses or provided to eligible communities as low-interest loans.

AND WHEREAS federal law allows states to set aside 26 percent of each allotment of IJJA federal funding for lead service line replacement to help communities locate and track their lead service lines, develop online dashboards, create public education and outreach materials around replacement efforts and lead-safe water filtration and conduct other non-construction activities that ensures more expeditious, equitable and cost-efficient lead service line replacement projects.

AND WHEREAS using set-aside lead funds for non-construction activities can both reduce the costs that need to be covered by Drinking Water State Revolving Fund (DWSRF) project awards and improve the loan-to-principal-forgiveness ratio for DWSRF awards from the lead funds, strategically helping the federal funding go further and making it easier for municipalities and water utilities to utilize the funds for lead service line replacement.

AND WHEREAS Wisconsin is an example of a state deploying the strategic use of set-asides from the IJJA lead funds for non-construction activities including upgrading lead service line inventories, developing public-facing dashboards to track replacement efforts and creating public education and outreach materials, thereby maximizing set asides to cover costs that would otherwise be part of the DWSRF project awards.

AND WHEREAS, as a result of this strategy to maximize set-asides, Wisconsin communities receiving DWSRF project awards from the IJJA lead funds will need to repay, on average, \$35 for every \$49 awarded in principal forgiveness, rather than \$51 for every \$49 awarded in principal forgiveness if no lead funds were distributed through set-asides, according to an analysis by the Environmental Policy Innovation Center.

AND WHEREAS the Mayors Commission is deeply committed to maintaining open, solutions-oriented dialogue with federal and state stakeholders with the goal of demonstrating the value of robust federal investments in water infrastructure and delivering transformative results for all residents.

NOW THEREFORE BE IT RESOLVED THAT:

- U.S. EPA should encourage states to maximize the strategic use of set-asides from the IJJA lead funds and provide guidance to states on the kinds of activities for which set-asides from the lead funds can be used
- State DWSRF administrators should adopt policies to ensure the strategic use of set-asides from the IJJA lead funds and engage municipalities with high numbers of lead lines and other stakeholders to help determine the most effective and beneficial uses of set-aside funds

AND FURTHER BE IT RESOLVED THAT copies of this resolution will be distributed to: Michael Regan, Administrator, U.S. EPA; Radhika Fox, Assistant Administrator, Office of Water, U.S. EPA; Regional Administrators of U.S. EPA Regions 2, 3, and 5; Governors and SRF Administrators of the eight Great Lakes states; the Great Lakes Task Forces in the U.S. House and U.S. Senate; the Get the Lead Out Caucus; and appropriate U.S. congressional committees.