

**Written Testimony to NYS Senate Standing Committee on Finance  
& Assembly Standing Committee on Ways and Means  
Joint Legislative Hearing: Environmental Conservation  
2025-2026 Executive Budget Proposal  
January 28, 2025**

**Summary Submitted by: New York Section American Water Works Association**

Dear Chair Krueger, Chair Weinstein, Senator Harckham, Assemblymember Glick, and Distinguished Members of the Fiscal, Legislative, and Environmental Conservation Committees:

The New York Section of the American Water Works Association (NYSAWWA) represents public water suppliers, engineers, regulators, and educators committed to providing safe, reliable, and affordable drinking water to 19 million New Yorkers. As an advocate for public health and environmental protection, we commend your continued support for water infrastructure projects and New York's leadership in clean water initiatives.

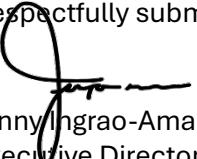
However, our state faces unprecedented challenges: aging infrastructure, emerging contaminants, stricter regulations, and rising operational costs. The EPA estimates \$94 billion is required to rehabilitate New York's water systems, and this figure excludes critical soft costs. Emerging contaminants like PFOA and PFOS require costly treatment upgrades, while the replacement of 500,000 lead service lines could cost \$5 billion, leaving a \$4.2 billion funding gap for ratepayers. Without substantial state investment, these costs will result in unaffordable water rates, disproportionately affecting low-income communities.

To address these urgent issues, NYSAWWA requests:

1. Increase Clean Water Infrastructure Act (CWIA) funding to \$600 million to meet infrastructure demands, including \$100 million earmarked for lead service line replacement.
2. Establish the Safe Water Infrastructure Action Program (SWAP) with \$100 million to fund proactive water repair and maintenance, reducing emergency costs and enhancing long-term sustainability.
3. Reestablish the Low-Income Household Water Assistance Program (LIHWAP) with \$70 million to ensure affordability for vulnerable New Yorkers.

Investing in these critical programs will ensure safe, clean, and affordable drinking water for all New Yorkers, upholding the constitutional right to clean water and safeguarding public health and economic prosperity. We look forward to collaborating with you to meet these challenges.

Respectfully submitted,



Jenny Ingrao-Aman  
Executive Director



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**Full Testimony Submitted by: New York Section American Water Works Association**

Dear Chair Krueger, Chair Weinstein, Senator Harckham, Assemblymember Glick, and Distinguished Members of the Fiscal, Legislative, and Environmental Conservation Committees:

I am writing to you as the Executive Director of the New York Section of the American Water Works Association (NYSAWWA) – a non-profit membership organization representing public water suppliers, engineers, regulators, and educators who collectively provide safe, reliable, and affordable drinking water to 19 million New Yorkers. Our core mission is rooted in the protection of public health and the environment, and we take great pride in New York State’s leadership in advancing these critical initiatives.

First, let me extend my gratitude for your continued support of water infrastructure projects across the state. Your leadership and investment have been instrumental in maintaining New York’s commitment to providing clean and safe drinking water.

For over a century, public water suppliers have successfully addressed evolving challenges through science, innovation, and funding partnerships. Today, however, we face an unprecedented convergence of issues: aging infrastructure, emerging contaminants, stricter regulations, and rising operational costs. These pressures are compounded by the increasing costs of water system upgrades, which threaten the affordability of this essential service for many New Yorkers.

Access to clean, safe, and affordable drinking water is a fundamental right, as affirmed by New Yorkers in 2021 when they overwhelmingly voted to enshrine the right to clean water in our State Constitution. While New York is fortunate to have abundant freshwater resources, transforming this natural asset into drinking water that meets ever-more-stringent standards requires substantial and sustained investment.

New York’s drinking water, wastewater, and stormwater infrastructure is aging and increasingly vulnerable to failure. According to the U.S. Environmental Protection Agency (EPA), an estimated \$94 billion is needed to rehabilitate or replace this infrastructure across the state. Notably, this estimate does not account for additional costs such as engineering design, land acquisition, construction management, or legal fees, making it a conservative projection. Without significant investment, the risk of catastrophic failures will grow, threatening public health and safety.

At the same time, advances in technology have enabled the detection of contaminants at lower concentrations, necessitating the development of new and more sophisticated treatment systems. New York has been a national leader in regulating substances such as PFOA, PFOS, and 1,4-

dioxane, but the associated costs are substantial. Treatment systems for a single drinking water source can range from \$2 million to \$10 million, with annual operating expenses exceeding \$1.5 million per system. Furthermore, the EPA's recent decision to lower maximum contaminant levels (MCLs) for perfluorinated compounds will require nearly 300 additional water utilities across the state to install costly treatment upgrades.

Another pressing challenge is the replacement of lead service lines. Water suppliers across the state have submitted initial inventories, but it is estimated that approximately 500,000 lead service lines remain in use statewide. With an average replacement cost of \$10,000 per line, the total financial burden is expected to reach \$5 billion. Federal funding has allocated \$700 million to address this issue, leaving a \$4.2 billion funding gap. Without additional state support, the cost of replacing these lead service lines will fall on ratepayers, potentially leading to significant rate increases that would disproportionately impact low-income communities.

### **New York Section American Water Works Association Budget Requests for FY 2025-2026**

To meet these challenges and ensure New Yorkers have access to safe and affordable drinking water, NYSAWWA respectfully requests the following:

#### **1. Increase Clean Water Infrastructure Act (CWIA) Funding to \$600 Million**

- Since its creation in 2017, the CWIA has been transformative, funding 17 programs and 2,850 projects that have advanced public health and environmental protection. While the Governor's proposed \$500 million allocation for CWIA programs in FY 2025-26 is appreciated, the program remains oversubscribed. In 2024, 441 projects totaling \$1.45 billion were submitted for funding, but 271 shovel-ready projects worth \$774 million were left unfunded. Increasing CWIA funding to \$600 million would address this gap and ensure critical infrastructure needs are met.
- **Lead Service Line Replacement Funding (\$100 Million):** We recommend earmarking \$100 million within the CWIA for lead service line replacement. This targeted funding is essential for addressing environmental justice issues, as many lead service lines are concentrated in low-income communities that cannot bear the financial burden of necessary rate increases.

#### **2. Establish the Safe Water Infrastructure Action Program (SWAP) – \$100 Million**

- Modeled after the successful CHIPS program for road infrastructure, SWAP would create a consistent funding stream for local water repair and maintenance projects. By enabling proactive planning and repairs, SWAP would reduce the costs of emergency projects and support a "complete streets" approach to infrastructure management.

#### **3. Reestablish a Low-Income Household Water Assistance Program (LIHWAP) – \$70 Million**

- During its operation, LIHWAP provided \$70 million in water bill assistance to 40,000 families, offering vital relief to low-income households. Unlike energy and telecom utilities, 90% of New York's water systems are locally owned, relying solely on rate



revenue. A state-level LIHWAP program would ensure that affordability concerns are addressed without burdening utilities with determining eligibility, which is beyond their capacity.

On behalf of New York's drinking water suppliers, NYSAWWA thanks you for your continued support and consideration of these funding requests. We understand the challenges of this budget year but emphasize that there is no greater priority than protecting the health, well-being, and economic prosperity of New Yorkers by ensuring access to safe and affordable drinking water.

We look forward to partnering with you to secure the investments necessary to meet these challenges and uphold the constitutional right to safe and clean water for all New Yorkers.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jenny Ingrao-Aman". The signature is fluid and cursive, with a large initial "J" and "I".

Jenny Ingrao-Aman  
Executive Director