

# The Commonwealth of Massachusetts

MASSACHUSETTS SENATE STATE HOUSE, BOSTON 02133-1054

### James B. Eldridge

STATE SENATOR Middlesex & Worcester District ROOM 413-A, STATE HOUSE TEL. (617) 722-1120

## Chair, Joint Committee on Housing

Vice Chair, Global Warming and
Climate Change
Committees on Mental Health
and Substance Abuse
& Telecommunications, Utilities
& Energy

10/4/2013

#### FOR IMMEDIATE RELEASE:

CONTACT: Megan Montgomery

(617) 722-1120, megan.montgomery@masenate.gov

Representative Carolyn Dykema, Co-Chair of the Water Infrastructure Finance Commission (WIFC), Senator Jamie Eldridge and Pam Resor, former State Senator in the Senate Reading Room at the State House.

## SENATOR ELDRIDGE, SENATE PRESIDENT MURRAY ANNOUNCE LEGISLATION TO IMPROVE STATE'S WATER AND WASTEWATER INFRASTRUCTURE

BOSTON-- Senator Eldridge (D-Acton) joined Senate President Therese Murray (D-Plymouth) to announce legislation that addresses the critical need for modernization and greater investment in the drinking and wastewater systems across the state at a press conference at the State House. This comprehensive legislation combines reform with increased commitments from the Commonwealth to improve existing partnerships with cities and towns, increase municipal options while incentivizing best management practices, and deal sensibly and realistically with the challenges in water and wastewater in the Commonwealth.

"I appreciate Senate President Murray's leadership on this issue and am proud to introduce this legislation to reform, maintain and support the Commonwealth's water infrastructure," said Senator Eldridge. "This bill builds on the recommendations of the Massachusetts Water Infrastructure Finance Commission, which I was proud to co-chair, by making critical improvement in the state and local financing of water infrastructure reforms in maintaining and managing drinking and wastewater systems. Clean and plentiful water is an essential underpinning for the economic well-being of the Commonwealth, and I believe that this bill takes important steps toward a sustainable approach to the financing of water and wastewater infrastructure."

"This proposed legislation will address our water and wastewater infrastructure challenges and ensure that the Commonwealth's future will not be limited by our access to clean drinking water," said Senate President Therese Murray. "This is something we have been working on for years and includes many of the recommendations from the Water Infrastructure Finance Commission's report that was released last year. I would like to thank Senator Jamie Eldridge who co-chaired this commission for his work and leadership on this issue."

"When it comes to water infrastructure, our communities are facing the perfect storm; the need to replace aging systems and meet new regulatory requirements at a time when local budgets are stressed and state and federal funding has decreased dramatically," said Representative Carolyn Dykema (D-Holliston). "This is about stepping up as a state, building stronger ties with cities and towns by giving them more tools and funding to fill one of the most basic roles of government – ensuring clean and safe water. The efforts of the Senate President and Senator Eldridge are a crucial step forward. I'm looking forward to continuing our work together to address this issue in a comprehensive way."

"I thank Senator Eldridge for his leadership on this issue and am proud that this bill considers the final recommendations of the Water Infrastructure Finance Commission and makes strides to prioritize our state's crumbling water infrastructure by proposing a finance plan for cities and towns," said Pam Resor, former state Senator of the Middlesex and Worcester district who filed the original bill to establish the Water Infrastructure Commission (WIFC). "Our water pipes and treatment systems hidden underground have been deteriorating unnoticed for years and it is critical that we help cities and towns finance and preserve our precious water resources.

"This bill is a great step in the right direction to promote green infrastructure projects throughout the Commonwealth," said Bob Zimmerman, Executive Director of the Charles River Watershed Association. "Through these incentives we are able to build strong and truly resilient cities."

"Cities and towns are facing a massive multi-billion shortfall in the resources needed to repair and maintain our water, wastewater and stormwater infrastructure," said Geoff Beckwith, Executive Director of the Massachusetts Municipal Association. "We need to solve this problem in order to protect our environment and our economy, now and in the future. We deeply appreciate the increased funding package that Senate President Therese Murray, Senator Eldridge and Senate leaders have offered, as the legislation includes many important steps that would move us forward."

"This initiative will allow Massachusetts to step up to the challenge of funding our water infrastructure in the 21<sup>st</sup> century," said Martin Pillsbury, Executive Director of the Metropolitan Area Planning Council. "It's an important step toward a financially sustainable path for the Commonwealth's water future. MAPC looks forward to working collaboratively with all partners to support innovative and balanced solutions for our water infrastructure challenges."

An Act improving drinking water and wastewater infrastructure makes significant steps toward satisfying many of the goals and recommendations of the Water Infrastructure Finance Commission (WIFC) by expanding the Water Pollution Abatement Trust's capacity and incentivizes best management practices and prioritizing critical needs projects. The bill increases the statutory caps on the Water Pollution Abatement Trust's (WPAT) ability to spend from \$88 million to \$138 million and requires that the WPAT provide at least 80% of that statutory cap in financial assistance. It also allows the WPAT to create a sliding scale interest rate, from 0% to 2%, on loans for qualifying projects or systems, enabling the Trust to improve its flexibility while incentivizing best management practices.

The bill also creates a local option for cities and towns to impose an additional charge to fund mitigation measures for increased water withdrawals, and proposes a technical assistance program for the development of asset management plans and for identifying green infrastructure opportunities in the local communities.

The legislation was filed after the Water Infrastructure Finance Commission (WIFC) released its final recommendations in February 2012. The Commission, which was chaired by Senator

Eldridge and Representative Carolyn Dykema (D-Holliston), was charged with developing a comprehensive, long-range water infrastructure finance plan for the commonwealth and its municipalities following two years of research, public hearings and meetings.

In a final report, the Commission estimated that the Commonwealth conservatively faces a \$10.2 billion gap in resources for drinking water and an \$11.2 billion gap in resources for clean water (wastewater) projects over the next 20 years -- a collective shortfall of approximately \$21 billion to keep drinking and wastewater systems in a state of adequate repair.

Massachusetts cities and towns are responsible for maintaining more than 125,000 miles of sewer pipes and more than 100 municipal wastewater treatment plants, many of which are aging. Cities and towns are tasked with maintaining thousands of drinking water wells and more than 200 surface water supplies.

Cities and towns are facing a water and wastewater crisis created by antiquated infrastructure and a failure to properly invest in maintaining existing infrastructure. Massachusetts cities and towns are responsible for maintaining over 125,000 miles of sewer pipes and over 100 municipal wastewater treatment plants, many of which are aging. Cities and towns maintain thousands of drinking water wells and over 200 surface water supplies. Many of the water and sewer systems in older cities in Massachusetts were constructed as early as the 1800s.