

September 13, 2004

The Honorable J. Dennis Hastert
Speaker
U.S. House of Representatives
The Capitol
Washington, DC 20515

The Honorable Nancy Pelosi
Minority Leader
U.S. House of Representatives
The Capitol
Washington, DC 20515

The Honorable Bill Young
Chairman
House Appropriations Committee
Washington, DC 20515

The Honorable David Obey
Ranking Member
House Appropriations Committee
Washington, DC 20515

Dear Speaker Hastert, Representative Pelosi, Chairman Young, and Representative Obey:

We are writing to express our support for the Clean Water State Revolving Fund (CWSRF) program and to urge you to maintain at least level funding of \$1.35 billion for federal fiscal year (FFY) 2005 for this critical health and environmental protection program.

The CWSRF program has been one of the most successful public work programs in the nation's history, achieving both environmental and public health goals established under the Clean Water Act. It has proven to be extraordinarily effective and efficient, providing a continuous source of funding for wastewater collection and treatment projects, while also helping States and local communities to address non-point sources of pollution.

Since the program's inception in 1987, States have made more than 14,000 loans totaling more than \$43 billion to thousands of localities across the nation. Of these loans, almost one quarter have been awarded to communities with populations of less than 10,000, and well over half have gone to communities with populations that don't exceed 100,000, testifying to the benefits that this program delivers to a vast number of cities, towns and rural communities throughout the nation. States must effectively provide a 20% match for the federal SRF investment, and communities bear the cost of making interest payments on the loans they receive from the CWSRF. All three levels of government are cooperating in a true partnership to protect our water resources.

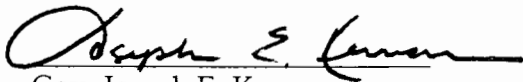
The Congressional Budget Office (CBO) has estimated that \$17 billion is needed in each of the next 20 years for clean water infrastructure investment. The U.S. Environmental Protection Agency (EPA) issued its own estimate of \$19.5 billion annually over the same period. And, the EPA's Clean Water and Drinking Water Infrastructure Gap Analysis found a \$535 billion gap between *current* spending and

projected needs for both drinking water and wastewater infrastructure over the next 20 years. Needless to say, now is not the time to be cutting funding for this critical infrastructure program. Reducing federal support by almost \$500 million would have a detrimental impact on States and local communities by putting many local clean water projects at serious risk.

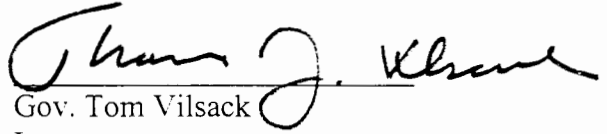
In previous years Congress has shown its support for this vital program and rejected proposed reductions to the CWSRF. As Governors, we urge you to maintain the federal government's commitment to the CWSRF initiative and provide it with sufficient funding to protect our water resources. At a minimum, we support \$1.35 billion in funding for the CWSRF for FFY 2005.

Thank you for considering our views on this important and successful program.

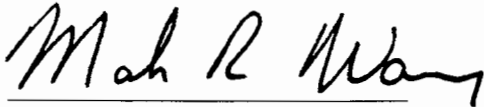
Sincerely,



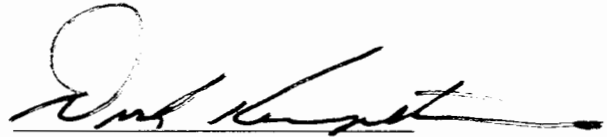
Gov. Joseph E. Kernan
Indiana



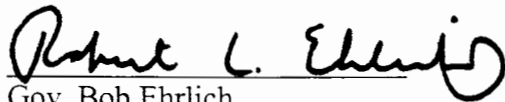
Gov. Tom Vilsack
Iowa



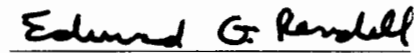
Gov. Mark Warner
Virginia



Gov. Dirk Kempthorne
Idaho



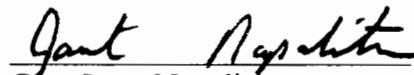
Gov. Bob Ehrlich
Maryland



Gov. Edward Rendell
Pennsylvania



Gov. James McGreevey
New Jersey



Gov. Janet Napolitano
Arizona



Gov. Arnold Schwarzenegger
California



Gov. Olene Walker
Utah

Bob Holden
Gov. Bob Holden
Missouri

Brad Henry
Gov. Brad Henry
Oklahoma

M. Joan Rell
Gov. M. Joan Rell
Connecticut

Bob Taft
Gov. Bob Taft
Ohio

Bill Richardson
Gov. Bill Richardson
New Mexico

George Pataki
Gov. George Pataki
New York

Ruth Ann Minner
Gov. Ruth Ann Minner
Delaware

Sonny Perdue
Gov. Sonny Perdue
Georgia

Don Carcieri
Gov. Don Carcieri
Rhode Island

Judy Martz
Gov. Judy Martz
Montana

Jim Doyle
Gov. Jim Doyle
Wisconsin

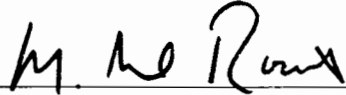
Mike Easley
Gov. Michael Easley
North Carolina

Rod Blagojevich
Gov. Rod Blagojevich
Illinois

Kathleen Sebelius
Gov. Kathleen Sebelius
Kansas

Ted Kulongoski
Gov. Ted Kulongoski
Oregon

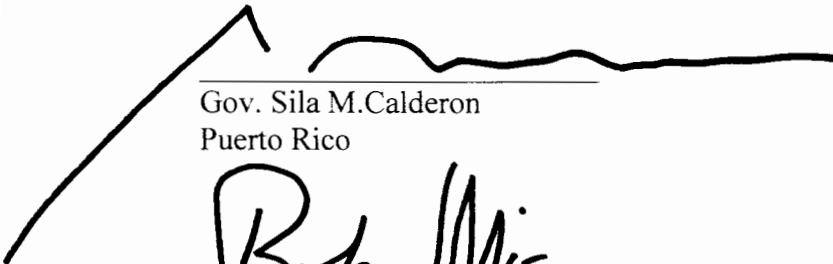
John Baldacci
Gov. John Baldacci
Maine



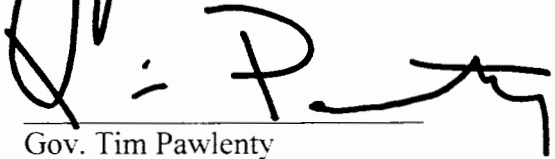
Gov. Mike Rounds
South Dakota



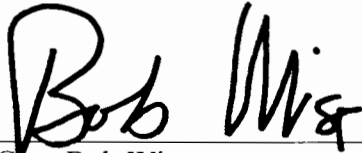
Gov. Jennifer Granholm
Michigan



Gov. Sila M. Calderon
Puerto Rico



Gov. Tim Pawlenty
Minnesota



Gov. Bob Wise
West Virginia

CC: The Honorable James Walsh
Chairman
House Appropriations Committee
Subcommittee on VA-HUD-IA

The Honorable Alan B. Mollohan
Ranking Member
House Appropriations Committee
Subcommittee on VA-HUD-IA