CLEAN WATER ACTION | CLEAN WATER FUND

Equitable and Effective Water Infrastructure Spending:

Increasing Transparency and Accessibility in State Revolving Fund Programs

December 2023

Acknowledgements

Clean Water Action is a national 501(c)(4) environmental organization with nearly one million members nationwide. Since our founding during the campaign to pass the landmark Clean Water Act in 1972, Clean Water Action has worked to win strong health and environmental protections by bringing issue expertise, solution-oriented thinking and people power to the table. **www.cleanwateraction.org**

Clean Water Fund is a national 501(c)(3) research and education organization that has been promoting the public interest since 1978. Clean Water Fund supports protection of natural resources, with an emphasis on water quality and quantity issues. Clean Water Fund's organizing has empowered citizen leaders, organizations and coalitions to improve conditions in hundreds of communities, and to strengthen policies at all levels of government. **www.cleanwaterfund.org**

Acronyms and Definitions

ASCE: American Society for Civil Engineers

CWSRF: Clean Water State Revolving Fund

DWSRF: Drinking Water State Revolving Fund

EPA: The United States Environmental Protection Agency

IUP: Intended Use Plan

IIJA: The Bipartisan Infrastructure Investment and Jobs Act

PPL: Project Priority List

States: Referring to the 50 States within the United States (tribes, Puerto Rico, and the District of Columbia's programs are not within the scope of this report)

State Investment Authorities: Referring to the Agencies and Authorities that administer and allocate the State Revolving Fund programs within their State.

SRFs: State Revolving Funds

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Executive Summary

Outdated and inadequate water infrastructure in the United States pose environmental and human health risks. Annual infrastructure report cards by the American Society of Civil Engineers (ASCE) consistently include poor grades for drinking water, stormwater, and wastewater systems. In 2023 drinking water, stormwater, and wastewater received grades of C-, D, and D+, respectively. The poor condition of water infrastructure can be largely attributed to insufficient investment. ASCE has estimated an alarming long-term investment gap of $2.59 trillion.[1]

The historic investments in the Bipartisan Infrastructure Investment and Jobs Act (IIJA, sometimes referred to as BIL) could be a game changer for water infrastructure. The IIJA includes $50 billion in water infrastructure investment over five years, most of which will be distributed through the existing Drinking Water State Revolving Fund (DWSRF) and the Clean Water State Revolving Fund (CWSRF). The IIJA, signed by President Biden in November 2021, requires that 49% of this funding be awarded to the most disadvantaged communities. This is significant because historically, the SRF programs have been less likely to fund projects in non-white populations and there are inequities in funding distribution.[2,3]

The Bipartisan Infrastructure Investment and Jobs Act: Passed in November of 2021, IIJA has created opportunities for new water infrastructure funding, including the SRF programs. Water infrastructure will receive $50 billion in new funding across a 5-year period, with the SRF programs receiving $11.7b (each) in new spending (in addition to regular annual appropriations). This is an unprecedented amount of new funding for the SRFs and water infrastructure. It also includes investments in high speed internet, railways, highways, and cleaning up legacy pollution sites. You can learn more at https://www.whitehouse.gov/briefing-room/statements-releases/2021/11/06/fact-sheet-the-bipartisan-infrastructure-deal/

Public Participation Requirements in the SRF Programs: The SRF Programs must adhere to a public participation process. That process is through a comment period once the initial Intended Use Plan (IUP) drafts are complete. Prior to EPA's approval, States will announce a 30-day comment period where the public and advocates can comment on how the IUPs could be improved. EPA has stated that the intent of more expansive public participation processes is to promote equitable results in government programs. The comment period must be 30 days or longer. Most are 30 days. Once public comments are received, the State must include responses in their final IUP submitted to EPA. States typically receive very few comments. States could increase public participation visibility by acknowledging comments in a more public fashion, rather than only acknowledging them through the final IUPs.

The IIJA provides new resources and poses new challenges for State SRF programs and the authorities that administer them. To meet IIJA goals of effective and equitable distribution of water infrastructure funds, SRF programs need to be both accessible and transparent in order to dramatically broaden and diversify the number of communities and projects applying for funding. Clean Water Action and Clean Water Fund examined information provided by the 50 States' SRF programs to develop a snapshot of SRF accessibility and transparency and to identify areas of potential procedural improvement.

Our Findings

- 20% of State SRF websites were not reasonably navigable (took more than five clicks or five minutes to reach an Intended Use Plan from the department or investment authority main page).

- 26% of States provided no information on how to apply for funding on their websites.

- 22% of States provided no personal contact on their websites to acquire more information on their programs.

- 58% of States' programs provided very little or no information on what projects have been funded.

- 62% of States gave no notice of when public comment periods were taking place, or only gave notice in ways that would be difficult for an average user to find.

- 66% of States gave no acknowledgement of any comments received or not received during the public comment period.

Recommendations

To improve the accessibility and transparency of their SRF processes, States should:

- Invest in dedicated websites to house the information about SRF programs. States with dedicated websites are easier to navigate.

- Create easily understood, publicly available information on what to expect during the application process.

- Provide a personal contact point for applicants and advocates to ask questions.

- Provide detailed, publicly available information on what projects have previously been funded, including location-based data and under what eligibility the project was funded.

- Announce the 30-day comment period publicly in a way that does not require the reader to delve too deeply into multi-page documents.

- Publish documentation explaining why specific comments were addressed or not addressed.

Background

The Importance of Increased Investment in Water Infrastructure

Outdated and inadequate water infrastructure in the U.S. pose environmental and human health risks. The increased cost of updating and maintaining outdated water infrastructure is often passed along to communities. Annual infrastructure report cards by the Army Society of Civil Engineers (ASCE) consistently include poor grades for drinking water, stormwater, and wastewater systems. In 2023 drinking water, stormwater, and wastewater received grades of C-, D, and D+, respectively. The poor condition of water infrastructure can be largely attributed to insufficient investment. ASCE has estimated an alarming long-term investment gap of $2.59 trillion.[4]

The impacts of climate change further strain water infrastructure. Excessive precipitation overwhelms stormwater systems, triggering increasingly frequent catastrophic floods. In contrast, polluted water tables lead to water scarcity and historic droughts.

Understanding Water Infrastructure Funding

The U.S. Congress created the Clean Water State Revolving Fund (CWSRF) in 1987 to fund Clean Water Act-related projects, with an emphasis on municipal wastewater treatment.[5] The 1996 Safe Drinking Water Act Amendments established the Drinking Water State Revolving Fund (DWSRF). The SRFs are below market rate loan programs that fund water infrastructure improvements. Both the CWSRF and the DWSRF loan programs are funded by grants allocated by EPA and administered by the States. The interest provided by these loans and repayments help fund the program in subsequent years — creating a "revolving" fund which allows each State's program to grow independently. The SRFs have proven to be a successful strategy for funding water infrastructure, empowering States with flexibility in managing their water infrastructure funding. This flexibility comes with positives and negatives. States can create policies and practices relevant to their needs, and EPA has little oversight of these programs.

The Bipartisan Infrastructure Investment and Jobs Act

The Infrastructure Investment and Jobs Act (IIJA) (signed by President Biden in November 2021) has created opportunities for new water infrastructure funding through the SRF programs. $50 billion in new funding will be allocated to water infrastructure programs across a five-year period. The SRF programs will receive $11.7 billion (each) in new spending (in addition to regular annual appropriations). This is an unprecedented amount of new funding for the SRFs and water infrastructure.[6]

The IIJA includes requirements that 49% of the funding must be distributed as additional subsidization (grants or principal forgiveness) to disadvantaged communities.[7] The definition of "disadvantaged" changes from State to State. Meeting these requirements, which are intended to address environmental justice issues and to emphasize the water infrastructure needs of long neglected communities, related to goals addressing environmental justice issues, will require States to expand and improve their programs. The State match requirement for IIJA capitalization grants has also been cut to alleviate the burden on States. Normally, the CWSRF program requires 10% of investments go toward green or innovative projects as a requirement of the Green Project Reserve program. Unfortunately, there is also no Green Project Reserve requirement for the disbursement of IIJA funds.

The IIJA also represents unprecedented investments through supplemental funds to address specific needs. $15 billion in funds have been dedicated to lead service line replacement, distributed through supplemental

funds distributed through the DWSRF. An additional $5 billion to both the CWSRF and DWSRF ($10 billion in total) is allocated to combat "emerging contaminants" such as PFAS, a class of human-made chemicals which includes Per- and Polyfluoroalkyl substances. These chemicals are very long-lived, which means they remain in the environment and in humans and wildlife for a very long time.[8]

The IIJA represents the potential for a significant new chapter in water infrastructure. It allows for States to begin addressing long ignored depreciation of water infrastructure and provides a path forward for greater equity in how the SRFs fund water infrastructure needs.

How States Determine Which Projects to Fund

Each State has their own policies and practices on SRF funds that must be consistent with federal requirements. These policies and practices are outlined through each State's IUPs. These are sent to EPA to review every year, and only upon the approval of an IUP will a State receive the capitalization grants outlined through the SRF process. There is an IUP for both of the SRF programs for each State, and Territory. The IUPs are important documents for anyone interested in the differences between each State's SRF procedures, or any potential applicant looking for how best to procure funding from their State. If someone is interested in engaging in the SRF process at the local level the first thing they should do is look up their State's IUP.

The IUPs create the bedrock for the Project Priority Lists (PPLs). These are a list of projects that will be funded in the upcoming year. PPLs are determined using a point allocation system based on priorities described in a State's IUP. For example, if a State's IUP indicates that it is prioritizing combating flooding, those projects will receive more points during development of that year's PPL.

Once the final draft of the IUPs are completed, States open a 30-day minimum public comment period during which the public can weigh in on how well concerns are being addressed. After the comment period, the IUPs are submitted to EPA for approval.

Managing State SRF Programs

How States create the policies and practices of their two SRF programs, and how the funds are administered vary greatly from State to State. Due to how the SRF programs' enabling legislation was written, States have flexibility in how their programs are managed, how the funds are allocated, who receives the awards, and even who oversees the program. Many states manage their programs using already existing State agencies, such as a State's Department of Environmental Protection or a State's Department of Health. The managing of the SRFs can be a fairly onerous task, however, and many States have elected to create financial Investment Authorities with the sole purpose of managing and allocating the SRF loans. In some States the SRFs are managed by a combination of these two entities, with the government agency writing the policies and practices and the Investment Authority administering the funds to awardees. There are limited cases where the SRFs are managed by neither of these types of entities, such as California, where the California State Water Resources Control Board manages and administers the funds.

Accessibility is key to IIJA Success

States need to improve program accessibility to spend the large increases in funding and to meet IIJA disadvantaged community requirements. The swath of new funding presents a great opportunity for underserved communities to receive much needed assistance, and to fund types of water improvement projects that have historically been underrepresented by SRF investments. For projects to best reach historically underrepresented audiences, the programs must be easily understood and accessible to all.

Researching a State's program through publicly accessible websites should give all necessary information available for applicants to start applying. The application process is a significant barrier to projects being funded through the SRF programs. If information is lacking, the applicant pool will be reduced.

To gain a greater understanding of how well the State SRF programs are managing their funds, public information was examined, identifying key areas accessibility could be improved for States' SRF programs.
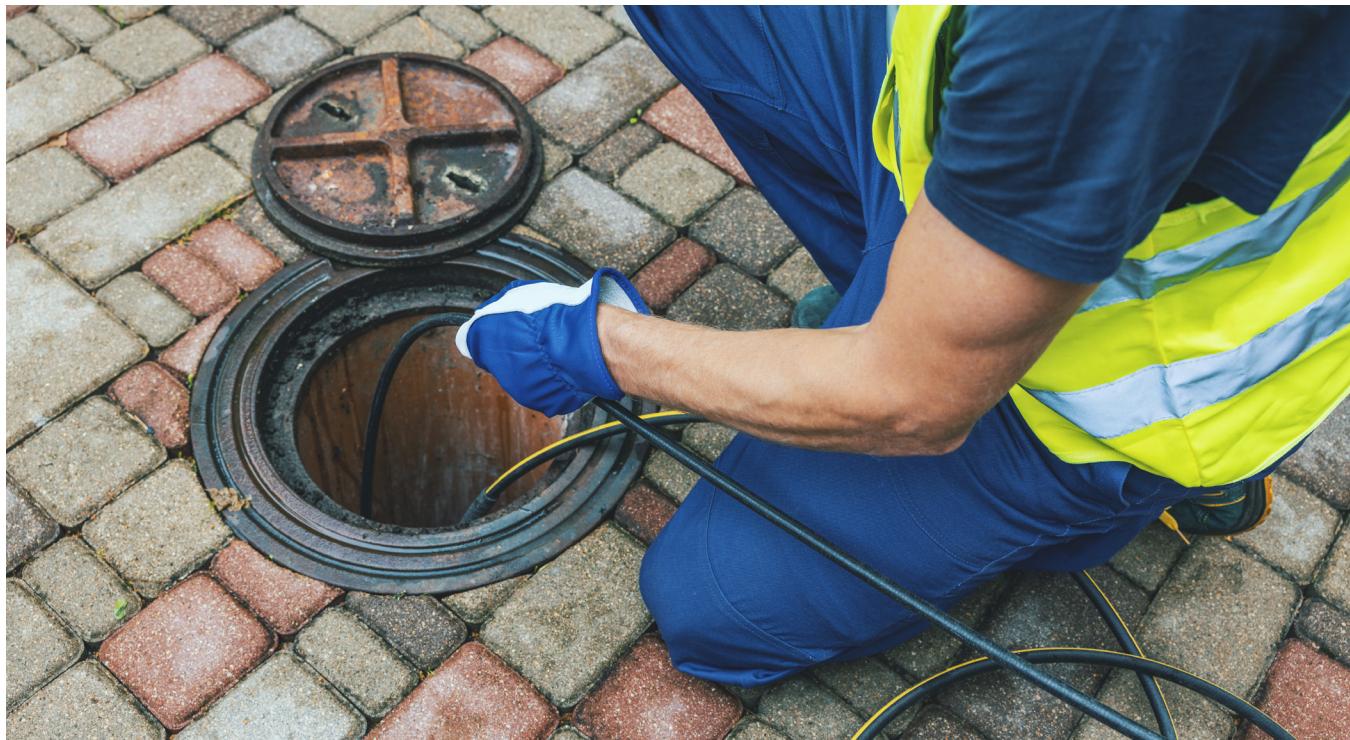
Methodology / Considerations / Goals

Intent

For the IIJA's historic investments to succeed, the SRF programs need to be accessible and transparent. To determine the scope of needed program improvements, we examined publicly available information for each of the 50 States. The resulting analysis provides a snapshot of accessibility and transparency in State SRF programs. This snapshot forms the basis for recommendations for improvement in order to meet IIJA goals and ensure the funds are spent effectively and equitably.

A Study on Publicly Available Information

The majority of existing analysis regarding State SRF programs use proprietary data and resources. A joint report by NRDC and EPIC titled A Fairer Funding Stream: How Reforming the Clean Water State Revolving Fund can Equitably Improve Water Infrastructure Across the Country is a great example of an extremely helpful report for advocates that uses proprietary data to divulge where there are inequities in the CWSRF.[9] While the use of proprietary data has been of value, there has been little done using only publicly available information. With increased funding provided by IIJA for SRF programs, there is an urgent need for States to broaden their public outreach. Evaluating how effectively States are interacting with the public demands a study of publicly accessible resources for potential applicants. This report aims to analyze publicly

accessible information on State SRF websites to assess each State's ability to attract new audiences. For any prospective applicant interested in securing funding for a potential water project, their first instinct is likely to consult the SRF website for their State. The ease of access and transparency of a website is crucial to an applicant's decision to pursue the SRF as a funding strategy for their project.

We intentionally selected publicly accessible data and focused on each State's website to replicate the initial experience of prospective SRF applicants. To ensure IIJA's success, there needs to be a significant expansion in both the number and types of applicants, which will be challenging without clear, understandable SRF web pages from each of the States.

The Relevance of Intended Use Plans

The Intended Use Plans (IUPs), being the main tool through which States outline their SRF policies and practices, are vital to understanding how well States are implementing IIJA principles. For prospective applicants to learn about their respective State's priorities, public accessibility of IUP documents is crucial. These documents contain extensive information, and potential applicants shouldn't have to search for information that should be easily accessible. It's critical that IUPs are readily and easily accessible to anyone on each State's SRF website. This accessibility helps potential applicants and advocates gain a better understanding of each State's policies and practices.

The Value of Public Participation

Each IUP has a required 30-day public comment period for advocates to provide feedback on potential improvements. Traditionally, participation in these public comment periods has been low. Some States have gone years without a single public comment on that year's IUP. However, participation has slightly increased since IIJA's implementation last year. Public participation, while mandated by the enabling legislation of the SRF programs, is also crucial to the environmental justice goals of the IIJA legislation and the SRF programs. The absence of public input from water advocates and community members means that regulatory programs can't fully address historical injustices in disadvantaged communities. Public participation is key to evaluating how well a public service benefits communities. The EPA cites the National Research Council when listing the benefits of public participation, concluding that "public participation, when done correctly, improves the quality of federal agencies' decisions about the environment. Well-managed public involvement also increases the legitimacy of decisions in the eyes of those affected by them, which makes it more likely that decision will be implemented effectively."[10] Effective public participation is a proven tactic for improving public services, and can drastically improve a program's reputation regarding equity and fairness.

There is great interest in how the public participation process can be improved in the yearly IUP. Each public comment period is defined by State and doesn't adhere to one specific time period. This means that comment periods happen at different times every year and adhere to each State's own internal timetable. Understanding when the public comment period requires research or being informed by the State itself. We evaluated how visible the public comment period is on each State's SRF website(s).

Per the SRF enabling legislation, States are not only required to post a 30-day public comment period for feedback on their IUPs, they are also required to acknowledge every comment received and explain in their final draft IUP how and why they are or are not addressing the comments they received. Since States have historically not received comments there is a need to examine how well this requirement is being adhered to. How well States are responding to comments they receive and how publicly they are addressing those comments in their final drafts to EPA were also analyzed.

Promoting Accessibility

The Infrastructure Investment and Jobs Act's (IIJA's) success in water infrastructure investments depends significantly on SRF programs reaching more potential applicants than before. The unprecedented funding necessitates States make SRF programs as accessible as possible, particularly in small and underserved communities. Learning this information is crucial to a successful application and begins with reviewing the application process and establishing a relationship with their State. This is unachievable without the State providing appropriate contact information and a simplified guide about the application process.

We evaluated how well each State had created an easily understood environment for new applicants who may have less contacts or technical ability. For successful implementation of IIJA requirements it should be expected that States have contact information for new applicants and clear information for new applicants to begin the process. The more easily digestible information that is provided by States, the more likely for funds to be accessible to new applicants. With more digestible information, States will have better success in finding a diverse pool of applicants of projects to fund, and applicants will have an easier time accessing the funds.

A Focus on Transparency

Public data regarding the spending of the SRF programs' capitalization grants is limited. Detailed information on funded projects and their eligibility criteria is necessary for improving State SRF programs. Location-based data is also essential for tracking how effectively IIJA environmental justice requirements are met. Sharing extensive project details with the public increases the likelihood of receiving informed comments during the public participation periods, thereby enhancing the programs' efficacy and accessibility. We evaluated each State's transparency regarding project details. Greater transparency benefits both public participation and new applicants, helping them understand what types of projects are being funded, enabling them to make informed decisions about how to design their projects. Furthermore, increased transparency is critical for legislative advocacy in favor of more robust SRF funding. The more data available, the more opportunities to highlight the benefits of the SRF programs.
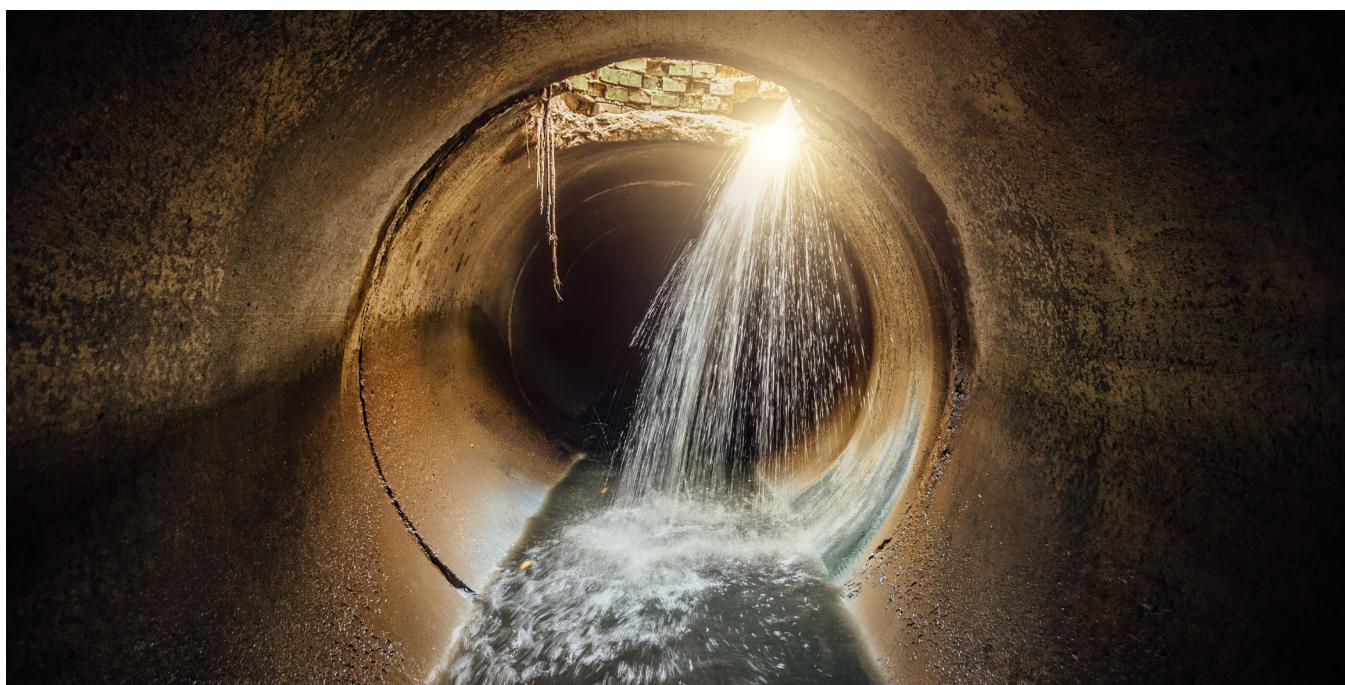
Analysis

Accessibility

Website Navigability

Navigability of SRF tools is vital to attracting new potential applicants. To ascertain how navigable a State's SRF website is, a proxy was used: how many clicks from a State's Investment Authority's main page does it take for a user to get to an IUP? Intended Use IUPs were used as the "destination page" for a few reasons:

- IUPs provide vital information for users to determine the policies and practices of that State's program.

- Because by law every State SRF program must make IUPs publicly available, presence on program websites is a consistent metric that can be measured.

- IUPs are the only standardized document (a document each State is required to have) used with a process in place for public engagement.

The navigability of each State's website is graded as either being "poor" "needing improvement" or "good." If a website had three or less clicks required to access the IUP it was labeled in "good condition." Four-five clicks received a grade of "needs improvement". Higher than five clicks received a grade of "poor condition." Web design is known to have a "three second" rule to grab a user's attention.[11] Users typically engage longer on a website when navigability is increased, meaning fewer clicks are needed to reach a desired resource.[12]

The number of clicks used to get to the IUP from the main page was not the only consideration for evaluating navigability, however. The number of clicks cannot tell the whole story and some sites with a high number of clicks required are still easily understood by a potential applicant. A website could have a high number of clicks required (due to additional content being available for applicants), but finding the IUP is still a clear and easily understood pathway from the main page — this sort of interaction doesn't add to navigability issues and therefore should not impact the rating of that State's website. Any website that took more than five minutes to find the IUP, despite lower interactions received a poor condition rating — and any website that took less than 30 seconds to find the IUP received a "good condition" rating regardless of the number of clicks it took to reach the destination. These special conditions only impacted 10% of the websites reviewed for this report.

States need to improve the navigability of their SRF websites. Reviewing the websites for the 2023 IUPs indicated that only 34% of the State's SRF websites were in good condition *(see Chart 1.1)*. 25% of the State's websites were considered to be in poor condition because they are difficult to navigate.

The analysis showed a great need for improvement of State SRF websites. One area of clear correlation

Chart 1.1
State's Website Navigability Conditions

Poor Condition 28.0%

Good Condition 34.0%

Needs Improvement 38.0%
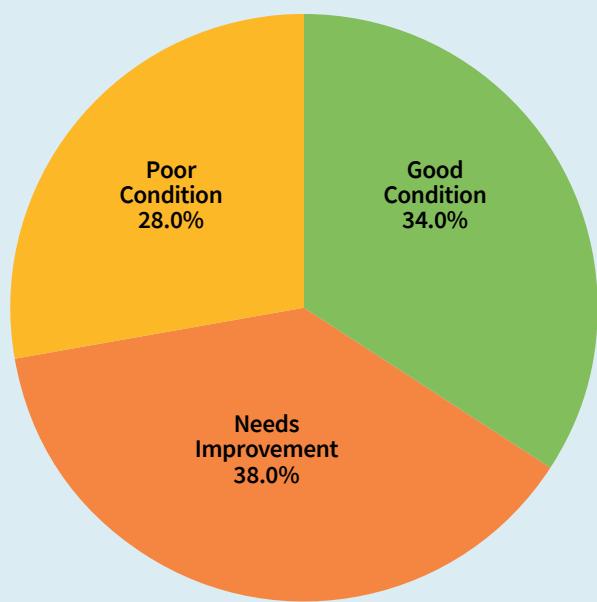
is that States with dedicated Investment Authorities (as opposed to running the SRF programs through a State Agency such as the State Department of Environmental Protection) tended to have SRF websites that are easier to navigate. Of States surveyed, only two States with dedicated authorities had a website categorized as being in Poor Condition. States with dedicated authorities made up around 25% of the total State SRF programs, yet States with dedicated authorities only made up 14% of the total States with the Poor Condition label. *Chart 1.2* illustrates how well dedicated authorities do in comparison to the total.

A key recommendation that can be made from this observation is that regardless of how the SRFs are managed, there is potential for more accessible websites. Having a more dedicated space for the SRF program to be housed would improve accessibility. This would alleviate confusion for potential applicants and advocates and allow for the program to be more visible for all interested parties.

Information for Applicants

To engage potential applicants, a State must make the application process as clear as possible. Many SRF applications have onerous processes that take months or years to complete. An analysis was done to determine if States had information on how to apply for SRF loans. If there were any instructions on the website for new applicants, the State was categorized under "Information Provided" regardless of how slim that information might be *(see Chart 2.1)*. The guidance could be as simple as "email this person for first steps." If a State's website had additional information on how to apply it received a "Detailed Information Provided" categorization. States with additional information for applicants provided that information through a variety of different communication tools. Types of additional information provided for applicants include:

- Publicly available webinars
- Explainer Videos
- Flowcharts
- Factsheets

Chart 1.2
Condition of Websites for Dedicated Authorities

Poor Condition 14.3%

Needs Improvement 21.4%

Good Condition 64.3%
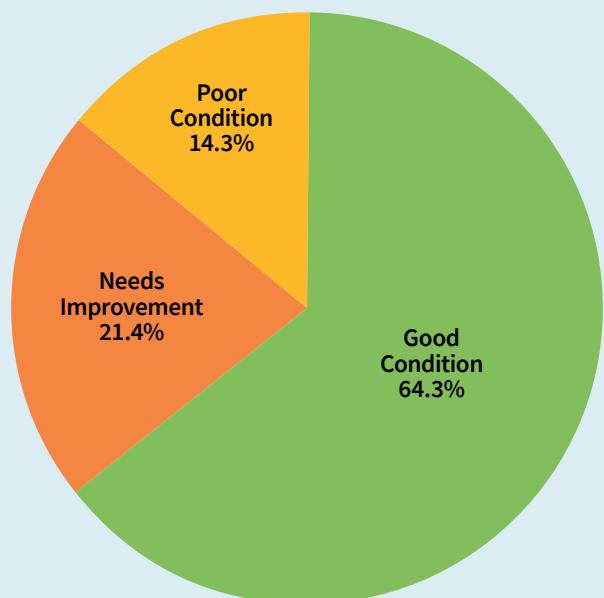
Chart 2.1
Information on How to Apply

Detailed Information Provided 14.0%

No Information Provided 26.0%

Information Provided 60.0%
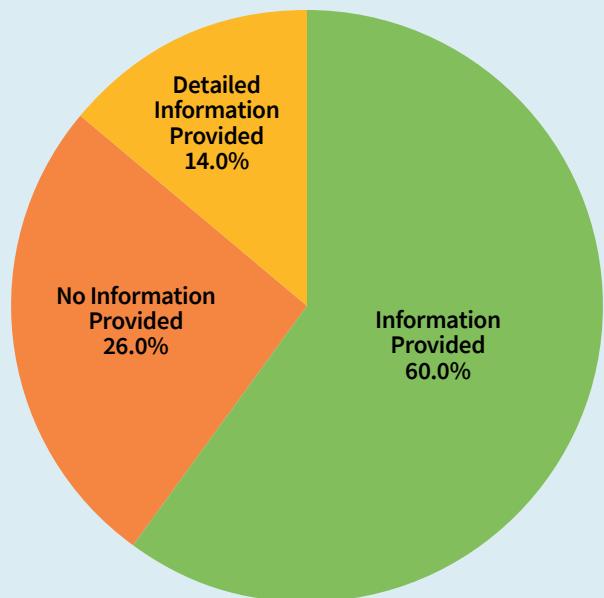
- Memorandums with step by step information
- Separate web pages explaining the process

All of these different communication tools clearly demonstrate the required steps in the application process and what to expect. The use of communication tools that clearly describe the application process should be the norm for State SRF programs.

Any State with a designation of "No Information Provided" had zero information provided for applicants. This designation made up more than 25% of States.

Ideally every State should have detailed information provided to applicants. Over 75% of States lacking detailed information is unacceptable. State officials frequently meet with applicants and give presentations on how the application process works in their State. Just having a public link to those resources would be incredibly helpful to applicants. Having details for applicants on where to get more information should be the expectation for States.

Contact Information Provided

Increased accessibility to SRF programs is necessary for the IIJA to be successful. To achieve this, interested parties must know who to contact for more information. We reviewed all State SRF programs' websites and cataloged which programs provide clear contact information into three categories: 1) contact information provided, 2) no contact information provided, and 3) contact information was provided but lacked the name of a specific contact person. As illustrated in *Chart 3.1*, 78% of States provided a specific contact person. However, point of contact information was not always easy to find on these SRF websites. For some, the information was buried in an IUP or in a memo deep within the website and not in an easily navigable area. 14% of States had some kind of contact information, but only provided a generic email or phone number with no additional information on whom they should be asking for or who should be the primary point of contact. Only 8% of States had no contact information provided whatsoever. Despite the low percentage, that is still a surprisingly high number for such a basic accessibility requirement. To ensure accessibility, every State should have a specific person listed as a point of contact.

Chart 3.1
Contact Information Provided

No Contact Given
8.0%

No Personal Contact
14.0%

Contact Given
78.0%
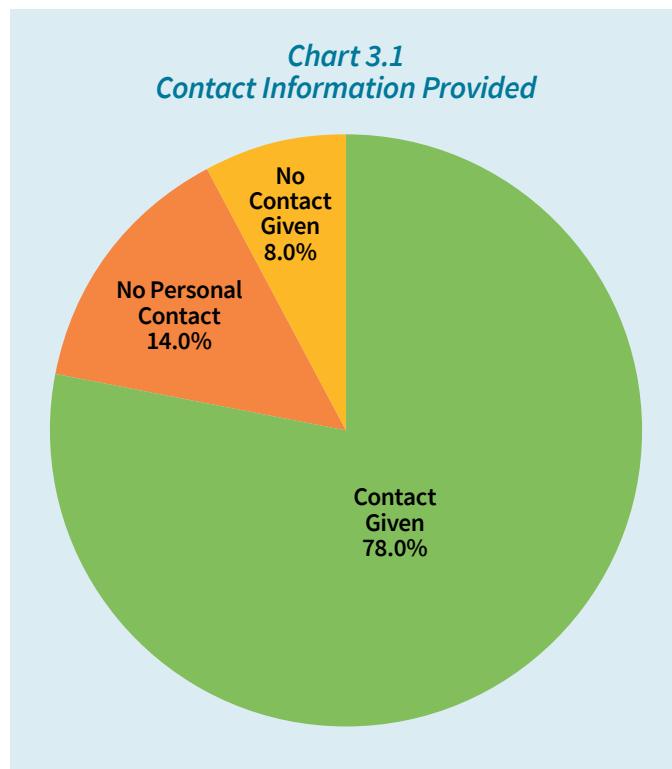
Accessibility Recommendations

Ensuring SRF lending programs are accessible to applicants and advocates is vital to their success. States need to examine their websites and ensure they are providing the following information:

- Clear, navigable web pages that provide easily understood and reachable pathways to vital information.

- Clear information for applicants on how to apply for SRF loans — with detailed information on what to expect during each step of the application process.

- A specific point of contact with their contact information (email, phone number) provided in a clear and easily reachable place on the State's SRF programs website.

Transparency

Project Details Provided

EPA does not house detailed information on funded projects publicly, and so it is largely up to States to make that information public. Having detailed funded project information is important for advocates and potential applicants to ascertain how well a program is doing, and what types of projects the State is interested in funding. Many States create a list of projects they intend on funding through their PPLs. Including a PPL in the IUP is common practice. PPLs often lack detailed information. Location-based data, amounts given, and the types of projects funded are often missing. Including this information in PPLs should be the bare minimum required from each State to ensure transparency.

To determine how well States share project data, all State SRF websites were analyzed to determine what project data was publicly available. Because

Chart 4.1
Information on Project Details

- Misc. Detailed Info 16.0%
- Listed 16.0%
- Not Listed 14.0%
- Only the PPL Listed 44.0%
- GeoData Listed 14.0%

project information can be shared in various different ways, how well States were doing was broken up into five categories. How these categories are represented in States can be found in *Chart 4.1*.
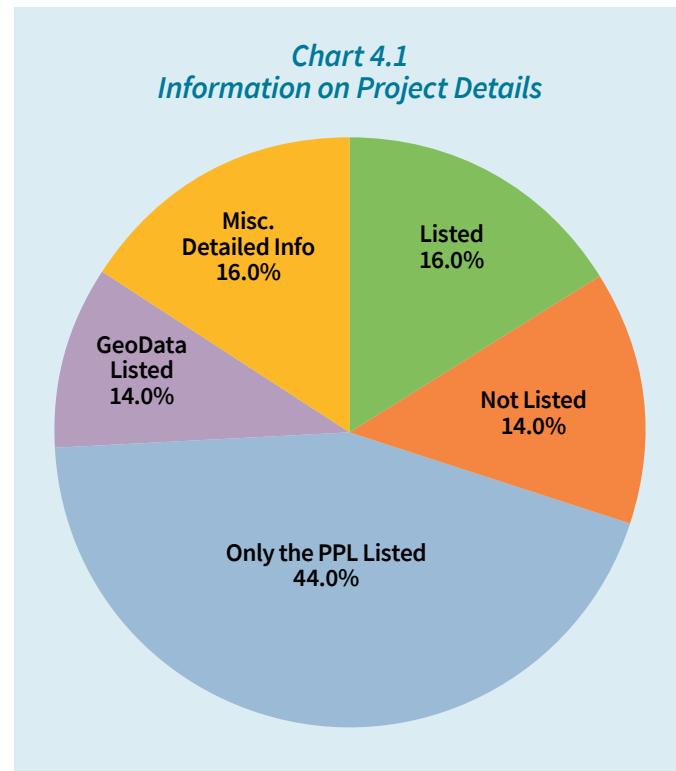
1. **Listed:** There was some level of information about funded projects provided, but the site lacked detail. Sites that provided general fact sheets of the types of projects funded, or alluded to previous funding in a general way received this classification.

2. **Not Listed:** No information was provided on funded projects.

3. **Only the PPL Listed:** The only project details listed were within the PPLs given in the IUPs.

4. GeoData Listed: There was some kind of location-based data listed about the projects that have been funded in the past. This usually was represented in an online geographic information system (GIS) of some kind, such as a storymap.

5. **Misc. Detailed Info:** Project information was shared with more detail that was not tied to location. For example, this category could encompasses projects detailed through databases, fact sheets or spreadsheets.

As *Chart 4.1* illustrates, the majority of States have either no information listed about what projects are being funded, or the only information provided can be found in the PPL. This means 58% of States did not put any effort into providing project data. Over one quarter of States, however, provided detailed

information for advocates and applicants to review. 26% of States provided either location-based data or detailed or searchable information on what projects have been funded.

States that did not provide location-based, detailed data on projects should emulate the few that did. With more information provided the successes of the SRF programs become clearer and the case for their continued growth and existence becomes more compelling.

Publication of Comment Periods

The most important procedural transparency tool built into the SRF programs is the public comment requirement. To best engage environmental justice advocates and community members that have historically been less involved in the SRF programs, it is critical the 30-day comment period be widely advertised and accessible. While the public engagement requirements in the SRF programs require States to provide notice it is not explicit regarding the method of that notice. States can send out messages to listservs for example, or put the notice for public comments in a hearing document. These are not useful methods to garner greater public participation. Those that are already well versed and involved in the State SRF program should not be the only audience for public participation. Greater equity requires greater investment from community members and environmental justice advocates. These are groups that historically do not have relationships with State Investment Authorities. The public comment period is one of the few apparatuses for advocates and community members to be heard. States have expressed interest in improving the public outreach process and making the public comment period more accessible. A report put together by ASDWA (The Association of State Drinking Water Administrators) interviewed and assessed ten States to determine how best to assist disadvantaged communities. In this report all ten States showed proactive steps to improving their public outreach, going beyond just giving public notice. The report, *A New Era for Drinking Water State Revolving Funds: Identifying ways to Better Assist Disadvantaged Communities* wrote that States administered "webinars, calls, workshops and stakeholder meetings. Two States noted that DWSRF programs should start public communication early, even outside the normal IUP process, to incorporate feedback into their State's work."[13]

Chart 5.1
Published Public Comment Notice

Not Published 16.0%

Provided in the IUP 46.0%

Published Publicly 38.0%
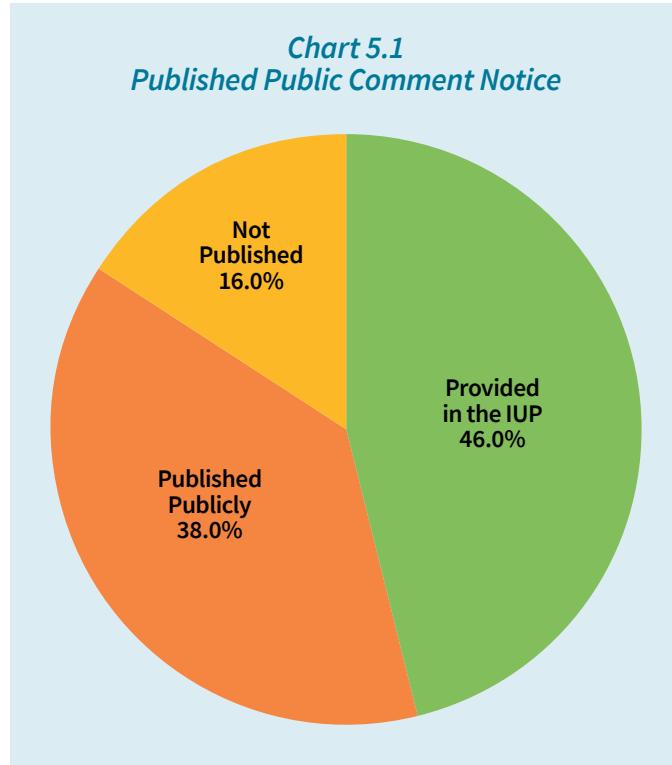
As illustrated in **Chart 5.1**, 16% of States did not notice their comment periods on their websites. This 16% could have published the comment periods through a public notice of some sort or through another site or public hearing, but the dates were not published in a way that is conducive for wide participation. In the same vein, 46% of States only provided the public comment periods within their IUPs. This is also not helpful for attracting a new audience into the SRF process, and counterintuitive to the environmental justice requirements of IIJA.

Only 38% of States had public comment periods displayed prominently on their websites. For the SRF programs to be as inclusive and effective as possible, all States need to follow this example. The public comment periods should be easily accessible to all.

Published Comment Period Responses

Public engagement is important. Just as important is how well States respond to all public comments received. States are supposed to highlight in their IUP what comments were received and how they were addressed or why they were not addressed in the final draft. This is for EPA to track how well public input was considered, for States to track changes in their IUPs, and for advocates to catalog how States are improving their SRF programs. Ideally, public comments should be responded to in a visible and accessible manner. This would allow for easier tracking and increased transparency for each State program.

As illustrated in **Chart 6.1**, 66% of States did not publish comment responses. Not all States receive comments, and when no comments are received, States should communicate that fact clearly. 22% of States did have comment responses, but these responses were only included in the IUPs. Only 12% of States had easily accessible comment responses published in a public format.

There may be a number of reasons for the low number of public comment responses. One is that public comments are still rare, with most States only receiving a few each year, and there is no public information available on which States received zero comments. If that information were available, States that received zero comments would have been removed from this analysis.

Chart 6.1
Comment Responses Listed

Having better tracking of comments received and how they were addressed would increase transparency in all State SRF programs. Ideally, all State SRF comments received should be accessible to the public through a database in the same way all comments received during a proposed federal regulation comment period are accessible on a public website, www.regulations.gov. States should make it clear if they received comments and how they were addressed, not just in their IUPs but also on their SRF program websites.

Transparency Recommendations

Transparency is a key issue for improving governmental programs, and the SRF programs are no exception. To better improve transparency in the procedural processes of State SRF programs, States should:

- Provide clear, location-based information on what programs have been funded — with additional information on what SRF-eligible categories they were funded under.

- Make a greater effort to alert the community about public comment periods and when to engage.

- Respond to all public comments in a public and easily accessible manner.

Conclusions

The Infrastructure Investment and Jobs Act (IIJA) has created an opportunity to strengthen SRF programs for the long term. Increased funding and technical assistance, along with requirements for funding projects in disadvantaged communities, should lead to a more equitable allotment of SRF funding and to significant improvement of water infrastructure nationwide. States need to enhance transparency and accessibility of SRF programs to realize these goals. To expand the number of potential applicants, make securing funds from their programs as easy as possible, and improve the public trust States should:

- Invest in dedicated websites to house the information about SRF programs. States with dedicated websites are easier to navigate.

- Create easily understood, publicly available information on what to expect during the application process.

- Provide a personal contact point for applicants and advocates to ask questions.

- Provide detailed, publicly available information on what projects have previously been funded, including location-based data and under what eligibility the project was funded.

- Announce the 30-day comment period publicly in a way that does not require the reader to delve too deeply into multi-page documents.

- Publish documentation explaining why specific comments were addressed or not addressed.

There should be a peer to peer facilitation between States to best emulate States that are exceeding expectations in transparency and accessibility. Without accessible and transparent SRF programs, implementation of the funds provided by IIJA will be challenging. If we are to address the infrastructure spending gap in this country, we need SRF dollars to be attainable to everyone in need. The Infrastructure Investment and Jobs Act created the chance to begin achieving that goal. Maximizing State transparency and accessibility will create better SRF programs and improve clean water access for an unprecedented number of people.

Endnotes

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