

TAKE ACTION ON STATE WATER FUNDS

State Revolving Funds help keep water safe and affordable, but action is needed to ensure dollars reach those most in need.

The New York Drinking Water State Revolving Fund (DWSRF) program does not incorporate environmental justice. Due to the impact of legacy pollution on drinking water quality, environmental justice policies help ensure that money reaches the communities that need it the most. Recent changes to New York's DWSRF program fall short of the U.S. EPA's recommendations. This guide includes recommended advocacy points for public comment on the annual intended use plan, which is open until September 29th, 2023.

Problems and Solutions

Justice 40 Transparency

The Intended Use Plans should include the total percent of funding provided to disadvantaged communities to ensure the federal directive that says 40% of SRF funding will go to disadvantaged communities.

Scoring Criteria Does Not Protect Local Autonomy

New York's criteria prioritizes consolidation and regionalization, and consolidation is worth more points than disadvantaged community status. This is a problem because there are no safeguards in place to protect local oversight, governance, and ownership of assets. Without protections, these processes can result in loss of revenue, property, and local power. For systems with existing community governance (i.e. municipal and other systems), consolidation points should be awarded only if all communities that will have a system shuttered have held a referendum indicating their approval to consolidate their system, resulting in a system being shuttered. The agreements leading to a referendum must be communicated to the public.

Higher Rates for Customers of Privately Owned Water Systems

Protections for communities with privatized water systems are needed because rates are more likely to be unaffordable in an investor-owned utility. Privatized water systems are also more likely to be a small community. Thus, when these communities qualify for state revolving funds, income-based water affordability protections for local rate-payers must be in place. Such protections are not currently available.

Weak Criteria to Identify Disadvantaged Communities

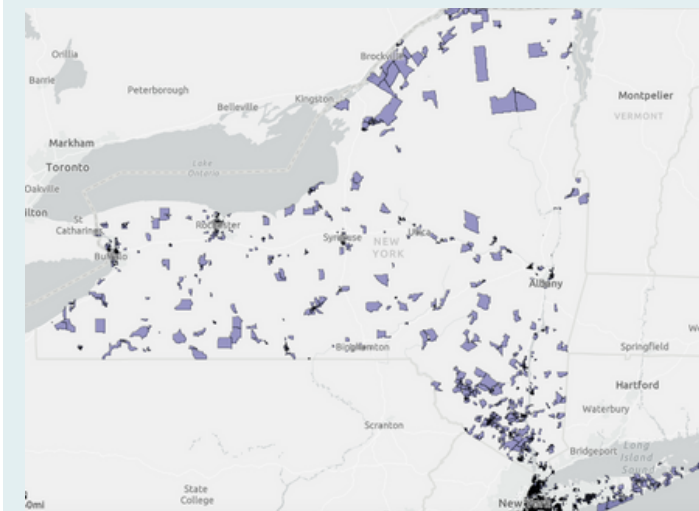
Median Annual Household Income (MAHI) is a poor statistic to identify low-income populations that state revolving funds should target because MHI is easily influenced by some residents with higher incomes. Instead, DWSRF criteria should consider the percentage of a community's population that falls below 200% of the federal poverty level. This measure represents the actual number of low-income households in a community.

Small Population Bias for Disadvantaged Communities

New York's criteria only allows communities with populations less than 300,000 to be eligible for subsidies. While small populations are less likely to receive state revolving funds, this restriction is not inclusive of all disadvantaged communities. Small communities should be prioritized through targeted outreach and additional funds for technical assistance.

Environmental Justice

New York's State Revolving Fund program does not meaningfully address environmental justice (EJ) conditions in the state. Yet, research has affirmed that existing environmental hazards and low-income populations in the community impact the need for water quality and affordability. An environmental justice screening tool can be more effective for identifying these concerns, see details below.



New York State's DEC has an environmental justice (EJ) mapping tool that identifies potential EJ areas of concern. This map considers BIPOC populations and federal poverty levels as indicators used to identify these areas. EJ areas identified with this tool are considered a criteria in New York's DWSRF DAC definition.

However, critical information about the environmental and public health hazards in New York communities are missing from this calculation. The Environmental Protection Agency's **EJSCREEN map** contains EJ Indexes that could be added to strengthen New York's map. This data should be used when identifying DACs and prioritizing DWSRF funds.

New York's environmental justice map identifies potential EJ areas using low-income and minority population data.

View here:

<https://tinyurl.com/EJMAPNY>