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Testimony to the Senate Budget Committee on April 21, 2022

Thank you, Senator Sarlo and members of the committee, for this opportunity to testify. My name is Chris Sturm and I represent New Jersey Future. We are leading a campaign to encourage the state to make a transformative \$1.2 billion investment in our water infrastructure. The Clean Water, Healthy Families, Good Jobs campaign is a historic coalition that includes labor, environmental organizations, local governments, and business groups.

We are also part of a collaborative called Lead-Free NJ, which is also requesting \$300 million for replacing lead pipes and an additional \$300 million to remediate lead paint in homes.

Together, these investments can make New Jersey communities healthy, safe, and affordable for everyone, including our children.

- Communities across New Jersey face unprecedented needs to upgrade their drinking water, wastewater, and stormwater systems this year.
- Here are just a few examples:
 - We need better stormwater management systems to reduce flooding from storms like Hurricane Ida, which incurred billions of dollars of damages and led to at least 30 deaths.
 - A new mandate requires local water systems to replace all lead pipes over the next 10 - 15 years, which will cost over \$2.5 billion.
 - Over 70 water systems violate standards for PFAs (AKA “forever chemicals”) that they must address at an estimated cost of \$0.5 billion to \$1 billion.
 - Our largest—and most of our fastest growing—cities must fix their combined sewer systems, which will cost \$2.6 billion.
- These are big numbers, but even more harmful from a human and financial perspective are the impacts of sewage backups, increased flooding, and unsafe drinking water.

- New Jersey is receiving a historic \$1 billion contribution from the federal government for water investments, but we still face **a funding gap of \$6 billion** over the next five years.
- Who will pay? The answer is the people and businesses who pay water and sewer bills and property taxes; we are all about to face huge increases.
- Thankfully, the State of New Jersey not only has unprecedented water challenges, but also an unprecedented amount of money at its disposal. This includes \$3 billion of remaining funding from the American Rescue Plan (ARP).
- It is our understanding that the allocation of ARP funds will take place outside of the budget process, but it is critical to highlight New Jersey's clean water needs in the context of the budget process and budget priorities.
- This year, the legislature has a once-in-a-generation opportunity to accelerate investment in clean water infrastructure by dedicating \$1.2 billion in ARP funding for use by community water and sewer systems to upgrade water infrastructure. Investing these additional dollars will help close the \$6 billion clean water funding gap we have over the next five years.
- An additional dedication of \$300 million for remediating lead in paint will help achieve a lead-free environment for our children.
- Governor Murphy indicated in the Budget in Brief that \$2 billion is available for infrastructure, including water infrastructure. Now it is up to the legislature to commit these funds.
- Making these investments has the benefit of creating good jobs, contributing to the New Jersey economy, and making New Jersey healthier. Clean water is the foundation upon which we can build a stronger, more affordable future for New Jersey.

You can find more information on these requests at two websites: ourwaternj.org and leadfreenj.org. Please feel free to reach out to me with any questions at csturm@njfuture.org. Thank you for your consideration.