



TESTIMONY

Testimony on American Rescue Plan (ARP) State Fiscal Recovery Fund dollars

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Thank you to the Murphy Administration for holding this hearing to seek input on priorities for the American Rescue Plan (ARP) State Fiscal Recovery Fund dollars. My name is Diane Schrauth, representing New Jersey Future and as a member of the Clean Water, Healthy Families, Good Jobs coalition, and the Lead-Free NJ collaborative.

New Jersey Future believes New Jersey can be a great place to live with a prosperous, fair economy; thriving communities; and a healthy environment. That's why we promote policies for cost-effective, sustainable water systems in New Jersey.

The Clean Water, Healthy Families, Good Jobs campaign includes labor, environmental organizations, and business groups calling for expanded investment in water infrastructure.

Lead-Free NJ works to ensure that New Jersey's children are free from lead poisoning and that our environment is lead-safe.

We appreciate and applaud the \$300 million for water infrastructure in the recently signed state budget. This increased funding for water infrastructure is a win for the health of New Jersey's families, our state's economy, and affordability.

Unfortunately, even with this money and the funding from the Bipartisan Infrastructure Law, we face a significant funding gap of at least \$6 billion over the next five years to properly address water infrastructure. This means that thousands of children will suffer from lead poisoning, flooding will continue in our older cities with sewage backing up into streets and basements of homes and businesses, and chemicals like PFAS will continue to contaminate our drinking water.

We request an additional \$700 million allocation from New Jersey's remaining share of American Rescue Plan dollars to go towards water infrastructure, addressing lead service line

replacements, combined sewer overflows, and emerging contaminants. An additional \$700 million combined with the \$300 million investment, and existing funding from the federal Bipartisan Infrastructure Law will cover: 25% of the 10-year cost of lead service line removal, significantly jumpstart work to eliminate harmful “forever chemicals” from our drinking water, provide over a quarter of the funding needed to fix combined sewer systems, and offer a down payment of \$80 million to improve stormwater management and reduce flooding.

This would be a transformational investment for New Jersey communities and the economy.

As you know, the federal American Rescue Plan (ARP) funding has timing constraints. Allocating another \$700 million for water infrastructure is an investment that will serve New Jersey for generations but it needs to happen this year. We urge the Murphy Administration to prioritize water infrastructure funding for the remaining American Rescue Plan funds.

If we don’t act now, New Jersey families and businesses will continue to suffer the effects of deteriorating water infrastructure, which will put us on a path to a less affordable and healthy New Jersey. Tragically, municipalities with the greatest need are often the ones with the least financial resources to address these health and safety issues. Communities across New Jersey will face increasing water and sewer rates and expensive costs for upgrades, as some already are. By investing now, you can alleviate the financial burden for residents who would otherwise face skyrocketing water and sewer bills, in addition to exposure to public health hazards.

Making these investments has the benefit of creating good jobs, contributing to the New Jersey economy, and making New Jersey a healthy and affordable place to live, work, and play.

For more information please visit ourwaternj.org for a breakdown of how \$1 billion could be allocated to expand our investment in our water infrastructure and visit LeadFreeNJ.org for more information on how to get the lead out of NJ.

Thank you for your consideration.