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Clean Water/Drinking Water State Revolving Funds/Arkansas: Council of Infrastructure Financing Authorities Position Paper on Impacts of Earmarks

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The Council of Infrastructure Financing Authorities ("CIFA") issued a position paper addressing its concerns about the impacts of congressional earmarks on Clean Water and Drinking Water State Revolving Funds ("SRFs").

The paper includes a chart referencing the argued impacts on each state's SRFs, including the State of Arkansas.

CIFA describes itself as a:

... national not-for-profit organization that represents Clean Water and Drinking Water State Revolving Funds.

SRFs are utilized to upgrade water, wastewater, and stormwater infrastructure. They are designed to provide low-interest, flexible loans for water infrastructure.

Such funding in Arkansas is administered by the Arkansas Natural Resources Division which is a component of the Arkansas Department of Agriculture.

The CIFA position paper states that since 2022:

... Congress has cut \$2.3 billion or 42% in annual federal funding for state SRF projects to pay for Congressional earmarks.

The Office of Management and Budget defines earmarks as:

... funds provided by the Congress for projects or programs where the congressional direction circumvents the merit-based or competitive funds allocation process, or specifies location or recipient, or otherwise curtails the ability of the Administration to control critical aspects of the funds allocation process.

The CIFA position paper also argues that over the last two years the United States Congress has cut net federal funding (SRFs plus earmarks) for clean water and/or drinking water infrastructure projects in 36 states.

The position paper puts forth figures for each state. It states that over the last two years more than \$8.3 million has been cut from the Arkansas Clean Water State Revolving Fund to pay for congressional

earmarks. It further states that over the last two years more than \$16.6 million has been cut from the Arkansas Drinking Water State Revolving Fund to pay for congressional earmarks.

A copy of the position paper can be downloaded <u>here</u>.