

# Water and Elections

By Linda Park

When properly run and with an informed electorate, elections advance our democracy. Unfortunately, we cannot say with any confidence that either of these criteria were met in the recent elections. We in WILPF need to demand substantive news coverage and real public debate on the pertinent issues of our time so that we are sufficiently informed to cast an educated vote.

In the area of water security, two questions need to be asked of every candidate:

- Will you adequately fund the Clean Water Act?
- What is your position on the privatization of water systems?

If we do not get the right answers to these questions, we must do our best to ensure that such candidates are not elected. The “right answers” are committing substantial new funding to the act and a pledge to keep water systems public.

## KEEP THE CLEAN WATER ACT AFLOAT

The 1972 Clean Water Act (CWA) states that “it is national policy that Federal financial assistance be provided to construct publicly owned treatment work.” This commitment to fund water infrastructure was reiterated in the 1996 amendments to the Safe Drinking Water Act. Over the first 12 years of the CWA, the U.S. government funded the act to such an extent that it became the largest non-military public works program since the Interstate Highway System. During the Reagan years, this funding was phased down with the intent to eliminate it. For example, in 1987, Congress changed the CWA’s funding method, introducing State Revolving Loan Funds (SRFs) to provide seed money to states to lend to local communities for water projects.

These funds were made available to both publicly and privately owned water systems and remained in effect through the 1990s. In 2000, the Clean Water SRF’s budget was \$1.35 billion. In fiscal year 2006, funding declined to \$887 million, and the current administration’s goal is to eliminate the fund by 2011. Funding for the Drinking Water SRF has stagnated at \$840 million per year despite the requirement that communities upgrade their water-

quality standards to reduce arsenic and other contaminants.

The current House of Representatives has taken a step to halt this downward trend with the passage in March 2007 of HR 720, which sets the SRF funding level at \$14 billion, to be spread over the next four years. However, the Senate has not acted on this bill since it was referred to committee. Moreover, there remains an estimated \$22 billion per year gap in the funding needed to bring our water and wastewater systems up to the minimal standards set by the CWA. There has been some movement in Congress to address this dire funding need. Both houses passed the Water Resources Funding Bill in the amount of \$23 billion to coincide with the 35th Anniversary of the CWA. It was vetoed by President Bush on November 2, 2007. In an amazing show of unity, both houses of Congress overrode the presidential veto within one week and it became law on November 9. The downside to this success story is that the bill has never been funded.

Currently, taxpayers pay about 90 percent of infrastructure costs, and these rates are expected to grow at about 6 percent above inflation if costs remain at current levels, according to Food and Water Watch. But without federal assistance to help local governments meet the increasing need for additional water infrastructure and repairs to existing structures, water billing rates are expected to rise 123 percent over the next 20 years. This situation leaves the United States ripe for water privatization.

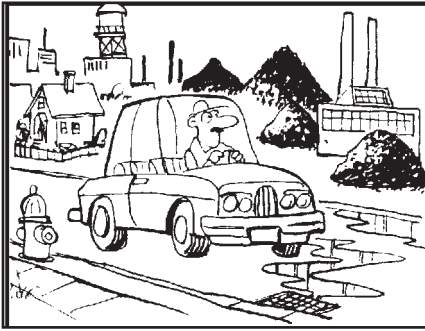
## MAINTAIN WATER AS A PUBLIC RESOURCE

At present, private companies can obtain tax-exempt funding through a limited number of private activity bonds (PABs) to build water infrastructure. These PABs are limited to a certain number per state to limit corporate access to tax-free financing. Companies and some in the political arena have been lobbying Congress to increase the allowed



### RESOURCES

See the extent of water privatization by visiting the Institute for Agriculture and Trade Policy web site at [www.tradeobservatory.org](http://www.tradeobservatory.org). The “water issue” section features a national map showing the cities that currently have signed contracts to manage, or have sold, their water systems as well as those that have “fired” their water contractors.



number of PABs. A 2005 survey of city governments by the Urban Water Council found that 38 percent of those surveyed had used SRF funds, while only 0.8 percent had used PABs.

This trend seems to indicate a preference for public financing and ownership of water systems in those cities.

Alternatively, Food and Water Watch has suggested that the federal government establish a Water Trust Fund that could be used to pay the expenses necessary to keep our water clean and accessible to the public. This arrangement could be similar to the Highway Trust Fund, which guarantees a certain level of funding to protect a national priority, roadways. What priority could be more important than clean water for all? We all need water to survive, and because safeguarding this resource often requires crossing city and state lines, establishing a Water Trust Fund should be high on any candidate's agenda.

The United States is already in the midst of the struggle to keep water in the public domain. Several high-profile cities, including Atlanta and Stockton, California, have tried privatization and then changed their minds. Many others (including New York, Chicago, Los Angeles,

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Denver, Seattle, and the District of Columbia) currently contract with private companies that either own or manage their water systems. Major multinational corporations involved in these contracts include Bechtel, RWE (its U.S. subsidiary, American Water), Suez (its U.S. subsidiary, United Water Resources), Veolia, and American International Group (AIG).

The Save the Water Campaign has previously written about why water should not be privatized, and it's worth repeating. As the American Water Works Association states, "historically in the United States, the public has demanded their water and wastewater service, so critical to life and preservation of the environment, be entrusted to public management and operation." We in WILPF believe

water is a part of the commons and must be protected for all. The government is the best guardian of the water commons because unlike corporations, which serve only their stockholders, governments are designed to serve their constituents — and all constituents are water users.

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**Water is a human right and must be protected. We must ask the right questions and demand answers that will bring us to the day when water is safe, readily available, and part of the commons.**

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Stockholders look for constant and increasing profits, which do not always translate to good service for all customers. If they are not earning the expected profits, corporations can walk away, as CH2M Hill did in East Cleveland, OH in 2004. Governments cannot leave. Their *raison d'être* is to serve the public. Thus it is essential to safeguard our water systems and remain vigilant to ensure that they stay in the public domain.

### TAKE ACTION LOCALLY

Often, a local government will privatize the water system without informing the public of its intent to do so or of the nature of the contract being negotiated. Therefore, we must get involved in influencing our local governments and let our leaders know that water privatization is not an option. For example, if you see trucks marked with the names of the water companies listed above, call your local water authority and ask why these companies' services are being used. Attend committee meetings of your town or city council and keep track of proposals on the table.

The current federal SRF funding allows public dollars to be spent on public-private partnerships that give tax exemptions to the corporations involved. We must demand that this loophole be closed. And in the case of PABs, we should not give away taxpayer funds that could be better used by public agencies to private concerns. Corporations should not be allowed to receive directly the federal dollars for rebuilding water infrastructure, and regulations that allow this arrangement must be changed.

Water is a human right and must be protected by and for everyone. This fact demands that, come election time, we must ask the right questions of candidates and demand answers that will bring us to the day when water is safe, readily available, and part of the commons.

*Linda Park is active in the Save the Water Campaign.*

Illustrations in this article were developed by University of Wisconsin-Extension, Wisconsin Department of Natural Resources, Wisconsin Lakes Partnership, and Wisconsin Basin Education Initiative. See Water Resources Education at <http://clean-water.uwex.edu/pubs/>