

TO: The Honorable Members of the PA House Consumer Protection,

Technology and Utilities Committee

FROM: Alex Halper, SVP, Government Affairs

DATE: April 8, 2024

RE: Oppose Act 12 bills – Discouraging water infrastructure investment

On behalf of the PA Chamber, I urge you to oppose HBs 1862, 1863, 1864, and 1865, all of which would amend Act 12 of 2016 and are scheduled for Committee consideration tomorrow.

The U.S. Environmental Protection Agency estimates that investments of more than \$744 billion over the next 20 years will be necessary for water infrastructure to meet federal water quality and safety standards. Some Pennsylvania municipalities are already struggling to maintain healthy and environmentally safe water infrastructure and likely will not have the financial ability to make necessary investments in the years ahead.

Act 12 of 2016 was passed to help these municipalities sell their water and wastewater systems if that is an option they wish to pursue to help ensure well-functioning systems for their residents and local businesses and inject much-needed capital into their municipal budgets. This type of public-private partnership will be necessary in some cases to meet the need for critical infrastructure upgrades and Act 12 should continue to serve as a tool to help municipalities facilitate these types of arrangements.

We appreciate the intent behind this package of Act 12 amendments but fear it will simply make it more difficult for municipalities and discourage critical investment in water infrastructure in communities throughout the Commonwealth.

We urge you to oppose this package of bills. Please contact Alex Halper at ahalper@pachamber.org or 717-645-8730 with questions or to discuss.