



April 12, 2017

Representative Ken Calvert
Chairman, Committee on Appropriations
Interior, Environment, and Related Agencies Subcommittee
Washington, DC 20515

Representative Betty McCollum
Ranking Member, Committee on Appropriations
Interior, Environment, and Related Agencies Subcommittee
Washington, DC 20515

Dear Chairman Calvert and Ranking Member McCollum:

As you consider funding levels for FY 17 and FY 18, we urge you to preserve critical funding to state, interstate, and tribal water programs of this critical funding enables state programs to meet statutory requirements set forth in the Clean Water and Safe Drinking Water Acts, ensuring vital programs are in place for the protection of human health and the environment. The Association of Clean Water Administrators (“ACWA”) is the independent, nonpartisan, national organization of state, interstate, and territorial water program managers, who daily implement the water quality programs of the Clean Water Act (“CWA”). The Association of State Drinking Water Administrators (“ASDWA”) is the professional Association serving and representing state drinking water programs implementing the Safe Drinking Water Act (“SDWA”). The Ground Water Protection Council (“GWPC”) is a nonprofit organization whose members consist of state ground water regulatory agencies which come together within the GWPC organization to mutually work toward the protection of the nation’s ground water supplies. Our three organizations represent the men and women within the states who are working every day to provide clean and safe water to their citizens and industry.

States are responsible, under the federal CWA, SDWA, and under each state’s own laws and regulations, to advance the attainment of clean and safe waters and to prevent violations of the requirements designed to support these goals. States rely on federal funding through the State Tribal Assistance Grants (STAG) §106 program and the Public Water System Supervision (PWSS) program to support state water programs and ensure that public health and the environment are protected while also supporting economic growth. Reductions in this funding will have devastating impacts on state water programs’ ability to implement core water protection programs as required by the Clean Water Act (CWA) and Safe Drinking Water Act (SDWA). The obstacles that states and EPA face to improving water quality in our nation’s waterways and drinking water systems are both complex and cost-intensive and reductions to critical funding are counter-productive to both ensuring clean and safe water, and providing states with the flexibility to implement regulations cost-effectively.

Section 106 of the CWA authorizes funding to the states, interstates, territories, and tribes, to assist them in preventing, reducing, and eliminating pollution of the nation's waters. It is these funds that are used to help develop state water quality standards, set pollution reduction loads, issue state permits, confirm compliance, monitor results, and report on successes. A reduction in these funds could have serious impact on programs like surface water management, source water protection and pollution prevention which could significantly increase drinking water utilities' costs associated source water treatment.

Additionally, §319 funds are used by states for critical restoration efforts in waterbodies primarily impaired by nonpoint sources. Given that most of the waterbodies on the impaired waters list are impaired due to nonpoint source pollution, this funding source remains critical to restoring beneficial surface water uses and safe water supply sources for drinking water utilities through strategic placement of land management improvements in targeted areas identified through scientific data and planning. This effort is complimentary, not duplicative to existing USDA conservation programs which fund land improvement projects based on landowner interests and a natural resource need. In addition, §319 funding affords participating landowners much needed flexibility related to non-traditional land management improvements (not funded by USDA programs).

Section 1443 of the SDWA authorizes the Administrator of EPA to make grants to states for the Public Water System Supervision (PWSS) programs. State drinking water programs have numerous core functions to ensure that the over 151,000 public water systems serve safe drinking water to consumers and comply with the health-based standards for over 90 contaminants. States provide compliance and technical assistance to ensure the safety of drinking water by making sure that violations don't occur or are addressed in a timely manner, inspect water systems on a regular basis, certify operators of water treatment plants and distribution systems, assess the technical, financial, and management capabilities of water systems, and assess whether water systems are adequately prepared for emergencies. The pace of regulatory activity has accelerated in recent years, as well as the complexity of ensuring safe drinking water. The continuation of this funding is critical to protect public health and maintain the economic health of our communities.

Should FY18 federal funding to states be reduced dramatically, states will have commensurately fewer resources while their obligations under environmental statutes will remain the same. Drastic cuts to STAG categorical grants will severely limit states/interstates abilities to implement core water protection programs as required by the CWA and the SDWA and provide critically needed technical assistance to struggling communities to ensure safe and available drinking water.

An important aspect of the state-federal relationship is supporting states in their role as the main implementers of the CWA and SDWA. According to Environmental Council of States (ECOS) the states implemented approximately 96.5% of federal environmental laws through delegated/authorized programs. State agencies also conduct 90% of all environmental inspections, enforcement actions, and data collection, and issue the bulk of the permits needed to build or operate a facility. Yet yearly budget data collected by the Congressional Research Service between 2004 and 2015 demonstrate that EPA grants to the states have been flat or, in real dollar terms, steadily declining since 2004. In 2015, categorical grants to the states were about 29% lower in inflation-adjusted dollars than they were in 2004. Providing adequate funding through federal grant programs allows states to carry out those programs, utilize their local expertise, and promote innovative state-based approaches to regulation. It is more than just helpful – it is necessary. ECOS reports that states currently provide, on average, between half and three quarters of core funding for their own environmental programs, and rely on federal funds to fill in remaining funding gaps.

Should the FY 2018 EPA budget make drastic cuts to STAG categorical grants, states will be severely limited in their ability to implement core water protection programs as required by law. Their ability to

provide critically-needed infrastructure financing and technical assistance and the supporting permits, where needed, to struggling communities to ensure safe and available drinking water will be compromised. Indeed, some states may be forced to relinquish the implementation of certain programs to U.S. EPA.

The 2017 American Society of Civil Engineers' Infrastructure Report Card and updated Failure to Act Report estimates that the gap in needed new capital investments in water and wastewater projects could lead to cumulative costs for businesses and households of \$105 billion by 2025, as well as a potential loss of up to 500,000 jobs, and by 2040 to costs of \$152 billion with 956,000 jobs at risk; so our members applaud the desire to provide additional needed funding for infrastructure development. It is critical that any infrastructure funding include additional wastewater and drinking water infrastructure investment. However for any infrastructure push to be successful there must be a strong and stable state partner to administer these programs efficiently and effectively. States must have the capacity to capably and expeditiously administer these funds, ensuring that infrastructure projects are able to proceed unencumbered, including the issuance of timely permits to those facilities.

Our communities depend on safe and reliable water. This funding goes beyond simply fulfilling legislative requirements, it is critical for maintaining public health protection and protection of water resources. This is a pivotal time for elected officials and state and federal agencies to illustrate cohesion. We have come a long way from waterbodies which would change color with the weather, and waste-filled rivers lighting on fire. The U.S. has one of the safest drinking water delivery systems on Earth, but we still face immense challenges, as the drinking water crisis in Flint, Michigan has recently illustrated. The obstacles that states and EPA face to improving water quality are more complex and cost-intensive than ever, and reductions to critical funding are counter-productive to both ensuring safe, healthy water, and providing states with the flexibility to implement regulations cost-effectively.

We look forward to continuing discussions about CWA and SDWA program funding and the co-regulator relationship between states and EPA. Should you have additional questions, do not hesitate to contact any of us.

Sincerely,

Julia Anastasio

A handwritten signature in black ink that reads "Julia Anastasio". The signature is written in a cursive, flowing style.

Executive Director
Association of Clean Water Administrators

Alan Roberson

A handwritten signature in blue ink that reads "J. Alan Roberson". The signature is written in a cursive, flowing style.

Executive Director
Association of State Drinking Water Administrators

Mike Paque

A handwritten signature in black ink, appearing to read "Mike Paque". The signature is fluid and cursive, with the first name "Mike" and last name "Paque" clearly distinguishable.

Executive Director
Ground Water Protection Council

Cc: Mike Shapiro, U.S. Environmental Protection Agency
Alex Dunn, ECOS



April 12, 2017

Senator Lisa Murkowski
Chair, Committee on Appropriations
Subcommittee on Interior, Environment & Related Agencies
Room S-128, U.S. Capitol
Washington, DC 20510

Senator Tom Udall
Ranking Member, Committee on Appropriations
Subcommittee on Interior, Environment & Related Agencies
Room S-128, U.S. Capitol
Washington, DC 20510

Dear Chairman Murkowski and Ranking Member Udall:

As you consider funding levels for FY 17 and FY 18, we urge you to preserve critical funding to state, interstate, and tribal water programs of this critical funding enables state programs to meet statutory requirements set forth in the Clean Water and Safe Drinking Water Acts, ensuring vital programs are in place for the protection of human health and the environment. The Association of Clean Water Administrators (“ACWA”) is the independent, nonpartisan, national organization of state, interstate, and territorial water program managers, who daily implement the water quality programs of the Clean Water Act (“CWA”). The Association of State Drinking Water Administrators (“ASDWA”) is the professional Association serving and representing state drinking water programs implementing the Safe Drinking Water Act (“SDWA”). The Ground Water Protection Council (“GWPC”) is a nonprofit organization whose members consist of state ground water regulatory agencies which come together within the GWPC organization to mutually work toward the protection of the nation’s ground water supplies. Our three organizations represent the men and women within the states who are working everyday to provide clean and safe water to their citizens and industry.

States are responsible, under the federal CWA, SDWA, and under each state’s own laws and regulations, to advance the attainment of clean and safe waters and to prevent violations of the requirements designed to support these goals. States rely on federal funding through the State Tribal Assistance Grants (STAG) §106 program and the Public Water System Supervision (PWSS) program to support state water programs and ensure that public health and the environment are protected while also supporting economic growth. Reductions in this funding will have devastating impacts on state water programs’ ability to implement core water protection programs as required by the Clean Water Act (CWA) and Safe Drinking Water Act (SDWA). The obstacles that states and EPA face to improving water quality in our nation’s waterways and drinking water systems are both complex and cost-intensive and reductions to critical

funding are counter-productive to both ensuring clean and safe water, and providing states with the flexibility to implement regulations cost-effectively.

Section 106 of the CWA authorizes funding to the states, interstates, territories, and tribes, to assist them in preventing, reducing, and eliminating pollution of the nation's waters. It is these funds that are used to help develop state water quality standards, set pollution reduction loads, issue state permits, confirm compliance, monitor results, and report on successes. A reduction in these funds could have serious impact on programs like surface water management, source water protection and pollution prevention which could significantly increase drinking water utilities' costs associated source water treatment.

Additionally, §319 funds are used by states for critical restoration efforts in waterbodies primarily impaired by nonpoint sources. Given that most of the waterbodies on the impaired waters list are impaired due to nonpoint source pollution, this funding source remains critical to restoring beneficial surface water uses and safe water supply sources for drinking water utilities through strategic placement of land management improvements in targeted areas identified through scientific data and planning. This effort is complimentary, not duplicative to existing USDA conservation programs which fund land improvement projects based on landowner interests and a natural resource need. In addition, §319 funding affords participating landowners much needed flexibility related to non-traditional land management improvements (not funded by USDA programs).

Section 1443 of the SDWA authorizes the Administrator of EPA to make grants to states for the Public Water System Supervision (PWSS) programs. State drinking water programs have numerous core functions to ensure that the over 151,000 public water systems serve safe drinking water to consumers and comply with the health-based standards for over 90 contaminants. States provide compliance and technical assistance to ensure the safety of drinking water by making sure that violations don't occur or are addressed in a timely manner, inspect water systems on a regular basis, certify operators of water treatment plants and distribution systems, assess the technical, financial, and management capabilities of water systems, and assess whether water systems are adequately prepared for emergencies. The pace of regulatory activity has accelerated in recent years, as well as the complexity of ensuring safe drinking water. The continuation of this funding is critical to protect public health and maintain the economic health of our communities.

Should FY18 federal funding to states be reduced dramatically, states will have commensurately fewer resources while their obligations under environmental statutes will remain the same. Drastic cuts to STAG categorical grants will severely limit states/interstates abilities to implement core water protection programs as required by the CWA and the SDWA and provide critically needed technical assistance to struggling communities to ensure safe and available drinking water.

An important aspect of the state-federal relationship is supporting states in their role as the main implementers of the CWA and SDWA. According to Environmental Council of States (ECOS) the states implemented approximately 96.5% of federal environmental laws through delegated/authorized programs. State agencies also conduct 90% of all environmental inspections, enforcement actions, and data collection, and issue the bulk of the permits needed to build or operate a facility. Yet yearly budget data collected by the Congressional Research Service between 2004 and 2015 demonstrate that EPA grants to the states have been flat or, in real dollar terms, steadily declining since 2004. In 2015, categorical grants to the states were about 29% lower in inflation-adjusted dollars than they were in 2004. Providing adequate funding through federal grant programs allows states to carry out those programs, utilize their local expertise, and promote innovative state-based approaches to regulation. It is more than just helpful – it is necessary. ECOS reports that states currently provide, on average, between half and three quarters of core funding for their own environmental programs, and rely on federal funds to fill in remaining funding gaps.

Should the FY 2018 EPA budget make drastic cuts to STAG categorical grants, states will be severely limited in their ability to implement core water protection programs as required by law. Their ability to provide critically-needed infrastructure financing and technical assistance and the supporting permits, where needed, to struggling communities to ensure safe and available drinking water will be compromised. Indeed, some states may be forced to relinquish the implementation of certain programs to U.S. EPA.

The 2017 American Society of Civil Engineers' Infrastructure Report Card and updated Failure to Act Report estimates that the gap in needed new capital investments in water and wastewater projects could lead to cumulative costs for businesses and households of \$105 billion by 2025, as well as a potential loss of up to 500,000 jobs, and by 2040 to costs of \$152 billion with 956,000 jobs at risk; so our members applaud the desire to provide additional needed funding for infrastructure development. It is critical that any infrastructure funding include additional wastewater and drinking water infrastructure investment. However for any infrastructure push to be successful there must be a strong and stable state partner to administer these programs efficiently and effectively. States must have the capacity to capably and expeditiously administer these funds, ensuring that infrastructure projects are able to proceed unencumbered, including the issuance of timely permits to those facilities.

Our communities depend on safe and reliable water. This funding goes beyond simply fulfilling legislative requirements, it is critical for maintaining public health protection and protection of water resources. This is a pivotal time for elected officials and state and federal agencies to illustrate cohesion. We have come a long way from waterbodies which would change color with the weather, and waste-filled rivers lighting on fire. The U.S. has one of the safest drinking water delivery systems on Earth, but we still face immense challenges, as the drinking water crisis in Flint, Michigan has recently illustrated. The obstacles that states and EPA face to improving water quality are more complex and cost-intensive than ever, and reductions to critical funding are counter-productive to both ensuring safe, healthy water, and providing states with the flexibility to implement regulations cost-effectively.

We look forward to continuing discussions about CWA and SDWA program funding and the co-regulator relationship between states and EPA. Should you have additional questions, do not hesitate to contact any of us.

Sincerely,

Julia Anastasio

A handwritten signature in black ink that reads "Julia Anastasio". The signature is written in a cursive style with a large, looped initial "J".

Executive Director
Association of Clean Water Administrators

Alan Roberson

A handwritten signature in blue ink that reads "J. Alan Roberson". The signature is written in a cursive style with a large, looped initial "J".

Executive Director
Association of State Drinking Water Administrators

Mike Paque

A handwritten signature in black ink, appearing to read "m. Paque". The signature is fluid and cursive, with the first name "m." and the last name "Paque" clearly distinguishable.

Executive Director
Ground Water Protection Council

Cc: Mike Shapiro, U.S. Environmental Protection Agency
Alex Dunn, ECOS