BUDGET TALKING POINTS:

- The Administration’s FY17 Budget Reduction Plan and the FY18 Budget Proposal propose drastic cuts to STAG categorical grants which will severely limit states’ ability to implement core water protection programs as required by the CWA. Included in STAG categorical grants are §106 and §319 funds.

- The proposed reduction in FY18 federal funding to states will leave states with fewer resources, while their obligations under environmental statutes remain the same.

- For the principles of cooperative federalism to work, there must be a strong and stable state partner.

- §106 of the CWA is the only authorized funding source provided to the states and interstates being leveraged by states to directly assist with preventing, reducing, and eliminating pollution to the nation’s waters. It is these funds that are used to help develop standards, set pollution reduction loads, issue permits, confirm compliance, monitor results, and report on successes.

- §319 funds are used for restoration efforts for waterbodies primarily impaired by nonpoint source pollution and the majority of the waterbodies on CWA §303(d) list are impaired by nonpoint source pollution. And while further collaboration with USDA is important for addressing agriculture based pollution, there is no other federal funding source available to support states efforts to address the other types of nonpoint source water pollution. Eliminating federal §319 funding will handicap state ability to address nonpoint pollution, which is already a difficult, cost-intensive problem facing states as is.

- We support the focus on increased infrastructure funding through the State Revolving Fund programs and new programs such as WIFIA. However, any infrastructure push will require state resources including staff to ensure these funds are awarded and disbursed effectively and efficiently.

- Applying for and administering SRF funds will take both take longer with state resources stretched thinner. State agency operations which ensure that SRF/WIFIA projects can proceed unencumbered will be affected.

- Often overlooked, these funds benefit the regional economic development of any and all communities. When industries look to relocate or expand, they often consider the availability of adequate quantity and quality of water. Water is a necessity of not only the industrial process but all the quality of life workers will experience. Businesses also must consider whether a given state agency will be able to issue permits and provide support in a timely manner, or whether they will slow development due to state agencies being overburdened. Finally, these funds are a vital part of ensuring outdoor recreation. Keeping bodies of water healthy for families, children, pets, and wildlife that use them is vital for economically vibrant communities.