



March 14, 2017

The Honorable Mick Mulvaney
Director
Office of Management and Budget
Eisenhower Executive Office Building
1650 Pennsylvania Avenue, NW
Washington, DC 20460

The Honorable Scott Pruitt
Administrator
U.S. Environmental Protection Agency
William Jefferson Clinton Federal Building
1200 Pennsylvania Avenue, NW
Washington, DC 20503

Dear Director Mulvaney and Administrator Pruitt:

The Association of Clean Water Administrators (“ACWA”) is the independent, nonpartisan, national organization of state, interstate, and territorial water program managers, who on a daily basis 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.

States are responsible, under the federal CWA, SDWA, and under each state’s own laws and regulations, to advance the attainment of clean and healthy waters and to prevent violations of the requirements designed to support these goals. The recently publicized information concerning the OMB passback for the FY 2018 EPA budget, specifically the proposed 30% cut to State Tribal and Assistance Grants (STAG) categorical grants and any other cuts to EPA programs operated by states, is extremely concerning to state water programs; all of whom rely on the federal STAG as a critical funding source to daily implement essential permitting and compliance programs as expected by the citizens of their states and as required by law. It is paramount that EPA’s budget reflect the importance of providing state programs with crucial grant funds, and that EPA provide flexibility for states to determine how to best use those funds.

Administrator Pruitt, we appreciate the fact that you have made cooperative federalism a point of emphasis when discussing EPA priorities for the new administration. Indeed, your remarks to EPA during your first day as Administrator reinforced in us your belief in the importance of the co-regulator relationship between EPA and states, as well as the importance of ensuring that EPA prioritizes working together with states as partners rather than adversaries. An important aspect of the state-federal relationship is supporting states in their role as the main implementers of the CWA and SDWA. A critical aspect of this support is providing necessary and adequate funding through federal grant programs to allow states to carry out those programs, utilize their local expertise and promote innovative approaches to regulation. According to Environmental Council of States (ECOS), states currently provide, on average, over half and sometimes as much as 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 and other crucial state funding sources such as State Revolving Funds (SRFs), states will be severely limited in their ability to implement core water protection programs as required by the CWA and the SDWA and provide critically-needed infrastructure financing and technical assistance to struggling communities to ensure clean and available drinking water. Indeed, some states may be forced to relinquish certain programs back into the hands of EPA which will only decrease customer service and increase permit backlogs that will stall the expansion of America’s economy.

Section 106 of the CWA authorizes funding to the states and Interstate Commissions to assist them in preventing, reducing, and eliminating pollution of the nation's waters. Section 1443 of the SDWA authorizes the Administrator to make grants to states to carry out public water system supervision programs. According to ECOS in 2013, 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 they issue the vast bulk of the permits needed to build, expand, or operate facilities such as manufacturing and industrial plants needed to expand our economy. 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. These grants provide baseline funding to ensure the health of our nation's water bodies and protection of public health.

Our communities depend on safe and reliable sources of drinking water and value it highly. We have come so far over the past 40-years as we have removed pollution sources that literally made the water different colors, or our rivers burn. Fish kills, toxic releases of pollutants, and fumes from industrial sources – at one time- literally peeled the paint off of nearby houses. To us and our member states, STAG funding is critical to maintaining and continuing with these improvements, this funding goes beyond simply fulfilling legislative requirements. This is a pivotal time for us to sustain and build upon the critical relationship and responsibilities shared between EPA and the states. 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, 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



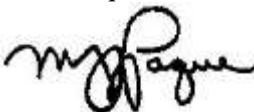
Executive Director
Association of Clean Water Administrators

Alan Roberson



Executive Director
Association of State Drinking Water Administrators

Mike Paque



Executive Director
Ground Water Protection Council

Cc: Mike Shapiro, U.S. Environmental Protection Agency