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The Association of Clean Water Administrators
Written Public Testimony on FY23 Appropriations
for the U.S. Environmental Protection Agency
for Water Programs
April 18, 2022

Chair Chellie Pingree
Ranking Member David Joyce
House Appropriations Committee
Subcommittee on Interior, Environment, and Related Agencies
United States House of Representatives
Washington, D.C. 20515

To Chair Pingree and Ranking Member Joyce,

The Association of Clean Water Administrators (ACWA) appreciates the opportunity to submit written testimony to the U.S. House of Representatives Committee on Appropriations, Subcommittee on Interior, Environment, and Related Agencies. As the national voice of state, interstate, and territorial officials responsible for the implementation of programs that protect surface waters across the nation, ACWA supports the President's FY23 Discretionary Budget Request's suggested increase to the Environmental Protection Agency's (EPA) budget.

The President's discretionary request funds EPA at \$11.8 billion, which represents a \$2.3 billion or 25% increase from the FY22 enacted level. The request outlines many key areas this additional funding will be used, including fighting climate change; promoting environmental justice; gathering data on polluters and holding them accountable; and investing in water infrastructure projects and contaminated site clean-ups. These functions are all essential to carrying out the EPA's mission of protecting human health and the environment.

This proposed increase comes with many benefits, especially as states begin to prepare to handle the historic infrastructure investment from the Bipartisan Infrastructure Law. Our nation's water and wastewater systems are critical for promoting economic growth and protecting public health. In this sense, it is vital that we address these and other issues by providing strategic and consistently robust financing for water infrastructure, programs, workforce development, and more. While the FY22 funding was a critical step forward in funding these programs, increasing these levels will ensure that they are equipped to handle future crises and ongoing infrastructure challenges.

State surface water programs play an integral role in building water infrastructure, from planning to design permitting to construction to compliance and robust section 106 funding is critical. State agencies are responsible for a myriad of infrastructure-related tasks including providing technical assistance to small, rural, disadvantaged, and underserved communities; marketing investments in green infrastructure; processing loan and grant applications; prioritizing projects to meet the greatest need; conducting environmental reviews; performing engineering analyses; permitting projects; monitoring compliance; and preventing fraud and waste. Any upcoming gaps in funding would undercut the proven success of these programs and jeopardize the essential assistance they provide to states. The case against funding cuts is only strengthened when considering that increases in federal investment could help reverse declines in water quality, create hundreds to thousands of construction jobs, boost the national economy, and benefit private-sector development. With this in mind, ACWA asks for your support in delivering states the resources they need to carry out these critical programs as you consider the President's budget request.

The states welcome the focus on injecting resources into the system to spur infrastructure development and repair. This money is certainly needed. However, the states also need increased resources to support states in meeting their obligations to the Clean Water Act (CWA) through, Clean Water Act (CWA) Sec. 106 grants, 319 grants, and funding to regional programs like the Chesapeake Bay or the Mississippi River/ Gulf of Mexico Hypoxia Task Force. States are also being asked to address PFAS and other emerging contaminants and to support environmental justice priorities and screening initiatives. Much of the federal funding has focused on specific outcomes and projects without much attention to the crucial seasoned state staff that execute vital support and analytic functions. Robust funding for CWA programs is necessary to ensure states have the capacity to handle an increase in funding for water infrastructure, manage permitting programs, and provide technical assistance to disadvantaged communities. Fully funding section 106 and similar programs will ensure that insufficient staffing and administrative resources do not cause delays or bottlenecks with projects moving to construction with the appropriate public health safeguards and environmental permits.

Federal funding of the 106 and 319 programs comprises approximately 33% of the funds states and interstates rely on to carry out the CWA's mandates. Section 319 funding has been on the decline since 2005, and the states currently absorb over two thirds of the cost of mandated state and delegated federal water quality programs. Additional federal funding would enable states to build upon the successes of the 319 program and work to improve the states' water quality protection activities and ability to carry out the basic requirements of the CWA.

Congress has acknowledged its support of administrative costs of the historic BIL funding by providing U.S. EPA with such funding. For instance, in Section 6002 of the American Rescue

Plan Act, Congress directed the EPA Administrator to reserve 2% or 5% for necessary administrative costs linked to specific subsections. In another example, in the FY21 appropriations under the State and Tribal Assistance Grants, Congress directs the EPA Administrator to report on the amounts and sources used to administer and provide oversight of these grant programs. States agree with Congress that it is important to acknowledge and support administrative needs and asks that it similarly consider funding for states who work most directly with communities to both develop proposals and seek their input when determining state priorities.

While appropriation increases have occurred over time since the inception of these programs, a more comprehensive analysis shows federal funding has remained nearly flat throughout the past decade, and its purchasing power has diminished when taking inflation into account. For example, CWA sec. 106 funding in 2010 was \$229 million; after a rise in funding in 2011 and 2012, funding levels settled to \$231 million over 2014 – 2019. Section 106 funding in 2020 fell to \$223 million. If you look at a more recent time horizon, the Section 106 enacted level was \$230,806,000 in FY2016 and \$230,000,000 in FY2021, a reduction of \$806,000. This funding is especially critical as CWA programs have grown much larger. The NPDES permitting program now covers 900,000 municipal, industrial, stormwater and construction facilities today. Additionally, the water quality issues facing the states and interstates are more complex and more challenging. Nutrient reduction in surface waters, stormwater management, alterations in hydrology, in part due to climate change, considerations of ground water, e-reporting requirements, emerging contaminants such as PFAS, and now social considerations of environmental justice are complications not envisioned when the CWA became law 50 years ago.

In conclusion, we ask that the Subcommittee use the President's discretionary budget request as a starting point and robustly fund the above noted CWA programs. Similarly, we ask that the proposed FY23 budget provides states with robust section 106 funding to invest in critical water programs and ensure that BIL money is used efficiently and effectively. These investments will have tangible benefits for states, interstates, territories, and Americans across the country by making progress toward our nation's water quality goals, not to mention the other benefits of stimulating economic growth, supporting tourism, providing recreation, and promoting nationwide health with a clean water supply. The states cannot do it alone, so we ask for a strong federal-state partnership through the FY23 appropriations process. Federal government support for ACWA's work – and states' work – is essential.

Sincerely,

Andrew Gavin
Deputy Executive Director, Susquehanna River Basin Commission
ACWA President