



October 27, 2016

The Honorable Lisa Murkowski
Chairman
Subcommittee on Interior, Environment
and Related Agencies
Appropriations Committee
U.S. Senate
Washington, D.C. 20510

The Honorable Ken Calvert
Chairman
Subcommittee on Interior, Environment
and Related Agencies
Appropriations Committee
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Tom Udall
Ranking Member
Subcommittee on Interior, Environment
and Related Agencies
Appropriations Committee
U.S. Senate
Washington, D.C. 20510

The Honorable Betty McCollum
Ranking Member
Subcommittee on Interior, Environment
and Related Agencies
Appropriations Committee
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Murkowski, Chairman Calvert, Senator Udall and Representative McCollum:

As you negotiate a final FY 17 appropriations package for the U.S. Environmental Protection Agency (EPA), we are writing in support of including \$6.5 million to assist communities in successfully implementing plans under EPA's Integrated Planning Initiative as contained in the House proposal. It is also critical to ensure robust appropriations for the Clean Water and Drinking Water State Revolving Fund (SRF) programs, the Water Infrastructure Finance and Innovation Act (WIFIA) program, and the Bureau of Reclamation's Title XVI program.

The Integrated Municipal Stormwater and Wastewater Planning Approach Framework (referred to as the Integrated Planning Initiative) was launched in 2012 to provide a flexible approach for local governments to meet regulatory obligations under the Clean Water Act (CWA). Integrated Planning is helping communities more affordably manage their clean water responsibilities while continuing to meet water quality standards. For this approach to succeed, however, communities must develop an Integrated Plan that incorporates an outline of water quality goals, human health and regulatory issues that they need to address, an assessment of existing systems, an evaluation of a communities' financial capability, an evaluation of cost-effective approaches and prioritization for addressing identified issues, metrics to measure success, and a process that allows adaptive management techniques. The core purpose of an Integrated Plan is to enable communities to set CWA regulatory priorities and implementation schedules that achieve needed environmental and public health protections in a manner that is most affordable for ratepayers. An Integrated Planning approach to CWA obligations can potentially save ratepayers millions of dollars while focusing clean water investments in a way that ensures the greatest water-quality benefits. The requested appropriation would ensure that all areas of the country participate in this effort while enabling this new model for meeting CWA obligations to be effectively evaluated nationwide.

The Clean Water and Drinking Water SRF programs provide low-cost loans to communities to help them meet their compliance obligations under the CWA and the Safe Drinking Water Act. There is a well-documented investment need of over \$600 billion for communities to maintain their wastewater and drinking water systems to meet water quality and drinking water standards. Challenges such as removing lead service lines and responding to extreme wet weather events and resulting sewer overflows are increasing the financial pressure on ratepayers to the point where many low-income ratepayers struggle to pay their water and wastewater bills. The SRF programs provide essential low-cost (and in some cases, no cost) financing to enable communities to affordably make investments in their water and wastewater systems.

The WIFIA program is a new financing tool for large-scale water infrastructure investments that the SRF programs may be unable to support. EPA is finalizing program materials and will be ready to accept applications for financing assistance later this year. Providing appropriations in the FY17 budget to support this launch will help ensure more communities can make needed water infrastructure investments.

Finally, the Reclamation Projects Authorization and Adjustment Act of 1992, more commonly referred to as Title XVI, is the only federal program that provides funding specifically for water reuse projects in 17 western states and Hawaii. Since the program was enacted, approximately \$639 million federal contributions have leveraged more than \$2.4 billion in non-federal funding to design and construct water recycling projects, adding hundreds of thousands of acre-feet to the water supply of the western seventeen United States. Funding this program is critical for communities in the western arid states that have been stricken by drought.

As you are well-aware, local communities nationwide are under enormous financial pressure to maintain critical services for their residents, such as education, fire and safety and critical public health infrastructure including drinking water and clean water. We sincerely appreciate House and Senate support of each of these programs and urge you to include significant appropriations for them in the final FY17 budget package.

Sincerely,

National Association of Counties
National League of Cities
Association of Metropolitan Water Agencies
American Public Works Association
American Water Works Association
National Association of Clean Water Agencies
Water Environment Federation
WateReuse Association
National Association of Water Companies