

March 12, 2025

The Honorable Lee Zeldin
Administrator, U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, DC 20460

RE: Ensuring Continuity in Critical Water Programs Amid Proposed Budget Reductions

Dear Administrator Zeldin:

We write to you representing our nation's water sector to express our concerns regarding the proposed cuts to EPA's budget. Our organizations collectively represent over 250,000 drinking water, wastewater, and stormwater utility personnel, engineering consultants, and technology manufacturers that operate and support over 65,000 utilities nationwide. While we understand that President Trump's priorities are aimed at significantly reducing the federal budget, as you move forward with the development of your Agency Reduction in Force and Reorganization Plan (ARRP), we respectfully urge you to consider the long-term consequences that major budget cuts will have on America's water infrastructure, public health, national security, and economic stability.

Infrastructure investment represents a significant portion of EPA's topline budget, including funds from the State Revolving Loan Funds (SRF), State and Tribal Assistance Grants (STAG), and the Water Infrastructure Finance and Innovation Act (WIFIA) program. These funds are distributed by the EPA to state co-regulators for implementation of water programs and through loans and grants to local water and wastewater systems for infrastructure improvements. The EPA's 2022 Clean Watershed Needs Survey (CWNS) Report to Congress found that wastewater and stormwater systems need more than \$630 billion over the next 20 years to comply with Clean Water Act mandates and to replace aging infrastructure. The 2023 Drinking Water Infrastructure Needs Survey and Assessment (DWINSA) Report to Congress found that drinking water systems need \$625 billion over the next 20 years to comply with Safe Drinking Water Act mandates and to replace aging infrastructure. These amounts are a 132% increase since the 2012 CWNS and a 32% increase since the 2018 DWINSA, but both of the recent surveys pre-date current and expected federal regulations on PFAS compliance.

A reduction in federal funds would be catastrophic to local water infrastructure and undermine the states' role in the principles of cooperative federalism. Through this cooperative federalism partnership, state regulatory agencies execute over 90% of federal environmental laws through such things as project permitting, compliance inspections, enforcement actions and consent agreement negotiations, and funding for local projects through federally-subsidized state programs like the Clean Water and Drinking Water State Revolving Funds programs.

While we may not always agree with the decisions made by EPA, it is critical that EPA and the states have the capability to fully engage with our organizations in the development of

regulatory requirements, share important research and methods for identifying contaminants, and collaborate on solving the many non-regulatory challenges facing our sector, including cybersecurity, affordability, and an aging workforce. Open and honest dialogue on implementation concerns, technical challenges, and communication are critical for the water sector to ensure both affordable and clean, safe water.

Should funding reductions leave EPA without the resources to provide guidance to their state co-regulators or to water systems, a patchwork of emergency and reactive measures will inevitably be taken to protect public health and the environment. An example of a critical need for EPA engagement is in response to the recent Supreme Court of the United States (SCOTUS) ruling in the City and County of San Francisco, California v. EPA case, which will have impacts on how NPDES permits will be written in the future. EPA will need to provide clear guidance to the states and permittees on implementation of this critical SCOTUS ruling. EPA's role in developing streamlined guidance and policies on this and other matters is an important component in ensuring high-quality water standards across the country.

Secure and reliable water infrastructure is a cornerstone of national security and economic stability. Should water infrastructure underinvestment continue, alongside a reduction in the States and EPA's capacity, our nation's water systems will be increasingly vulnerable to natural and man-made disasters. It is imperative that you ensure our nation is protected from these threats and that the ARRP does not result in unnecessary risk to our nation.

We stand ready to work with you and your leadership at EPA to explore innovative solutions to ensure that essential water programs continue to serve all Americans effectively and efficiently. Thank you for your attention to this matter. We look forward to the opportunity to discuss how we can collectively safeguard the integrity of our nation's water infrastructure.

Respectfully,

American Water Works Association
Association of Metropolitan Water Agencies
National Association of Clean Water Agencies
National Association of Water Companies
National Municipal Stormwater Alliance
Rural Community Assistance Partnership
U.S. Water Alliance
Water Environment Federation
Water & Wastewater Equipment Manufacturers Association
WaterReuse Association

Cc: Jessica Kramer, Office of Water
Benita Best-Wong, Office of Water