

December 6, 2012

The Honorable Harry Reid
Majority Leader
United States Senate
522 Hart Senate Office Building
Washington, DC 20510

The Honorable John Boehner
Speaker
U.S. House of Representatives
1011 Longworth House Office Building
Washington, D.C. 20515

The Honorable Mitch McConnell
Minority Leader
United States Senate
317 Russell Senate Office Building
Washington, DC 20510

The Honorable Nancy Pelosi
Minority Leader
U.S. House of Representatives
235 Cannon House Office Building
Washington, D.C. 20515

Re: ***Future of America's Clean and Safe Water at Risk***

Dear Senator Reid, Senator McConnell, Speaker Boehner, and Minority Leader Pelosi:

The undersigned organizations dedicated to the nation's waters urge you to resolve the pending fiscal cliff to prevent devastating cuts to key clean water and drinking water programs under the Budget Control Act.¹ The White House Office of Management and Budget (OMB) estimates sequester cuts to non-exempt nondefense discretionary funding of 8.2%.² If allowed to occur, this "automatic process of across-the-board reductions in budgetary resources . . . would be highly destructive to national security and domestic priorities . . ."³ Our nation's water programs will not be spared.

Program	<i>\$ in Millions</i>		
	FY12 Enacted	8.2% Cut	Resulting Budget
Clean Water State Revolving Fund (SRF)	1,466.00	(120.21)	1,345.788
Drinking Water SRF	918.00	(75.28)	842.724
Section 106 Operating Grants	238.40	(19.55)	218.85
Section 319 Nonpoint Source Grants	164.49	(13.49)	151.0
Public Water Supply System (PWSS) Grants	105.32	(8.64)	96.68

¹ BCA, Public Law 122-25.

² OMB Report Pursuant to the Sequestration Transparency Act of 2012 (P. L. 112-155) at 1, *available at* http://www.whitehouse.gov/sites/default/files/omb/assets/legislative_reports/stareport.pdf.

³ MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES, M-12-17, OFFICE OF MANAGEMENT AND BUDGET, July 31, 2012.

The federal Clean Water Act and Safe Drinking Water Act are critical to preventing, reducing, and eliminating water pollution across the country, and securing a safe supply of drinking water to Americans, giving states and localities a primary role in achieving these goals.⁴ These laws recognize the responsibility of the federal government to assist states and localities financially in achieving these important objectives. The provision of safe and adequate supplies of water is essential to the protection of public health and environmental quality and to the sustainable growth of our nation's economy.

Even with the significant funds which Congress already has provided, continuing federal financial support is needed to ensure that these essential water programs are sustained. The American Society of Civil Engineers' latest infrastructure report card gave the nation's water and wastewater infrastructure a D-, the lowest of any category. Infrastructure needs are far outpacing available funding. The Environmental Protection Agency (EPA) has estimated \$298.1 billion in wastewater and stormwater needs as of January 1, 2008⁵ and \$334.8 billion in drinking water needs between 2007 and 2027.⁶ It must be noted, however, that the Agency's Needs Survey only considers projects that would be eligible for SRF funding. A recent study by the American Water Works Association (AWWA) revealed that the nation's need to reinvest in drinking water infrastructure alone, actually totals about \$1 trillion over the next 25 years. Clean water needs roughly parallel that amount, and the need to avoid sequestration is paramount to providing the continuing level of support that these clean water programs so greatly need.

Investments in water and wastewater infrastructure provide substantial economic benefits to communities. The U.S. Conference of Mayors reports that each public dollar invested in water infrastructure increases private long-term GDP output by \$6.35. The National Association of Utility Contractors estimates that \$1 billion invested in water and wastewater infrastructure can create over 26,000 jobs. Further, the Department of Commerce estimates that each job created in the local water and wastewater industry creates 3.68 jobs in the national economy and each public dollar spent yields \$2.62 dollars in economic output in other industries. It is clear that federal investment in water and wastewater leverages enormous benefits nationally, for our local economies, and protects public health.

The Safe Drinking Water Act (SDWA) PWSS and Clean Water Act (CWA) Section 106 grants fund solid and needed state jobs, including for example, engineers, permit writers, inspectors, biologists, and compliance assistance officials – who play critical roles in helping ensure clean and safe water for all Americans. It is thus imperative that these programs receive the requested funds, which are in fact far below the well documented actual needs of these programs. The Section 319 Program, also significantly underfunded, is the only source of funding in the CWA to address the largest remaining uncontrolled source of water pollution – nonpoint source.

Again, we urge you to reach agreement as soon as possible so that our nation's critically underfunded water programs are not compromised. In the wake of Hurricane Sandy and the discussions taking place on Capitol Hill regarding infrastructure resiliency, this would be a uniquely unwise time to allow cuts targeted to ensure much-needed upgrades to our Nation's ailing and aging water infrastructure. Your attention to our serious concerns is appreciated.

⁴ CWA § 102(a); SDWA, 42 U.S.C. § 300g-2.

⁵ See U.S. Environmental Protection Agency (EPA) Clean Watershed Needs Survey, *available at* <http://water.epa.gov/scitech/datait/databases/cwns/2008reportdata.cfm>.

⁶ See U.S. EPA 2007 Drinking Water Infrastructure Needs Survey, *available at* <http://water.epa.gov/infrastructure/drinkingwater/dwns/index.cfm>.

Sincerely,



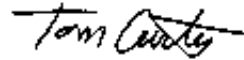
Alexandra Dunn
Executive Director
Association of Clean Water Administrators



Rick Farrell
Executive Director
Council of Infrastructure Financing Authorities



James Taft
Executive Director
Association of State Drinking Water Administrators



Tom Curtis
Deputy Executive Director for Government Affairs
American Water Works Association



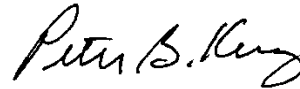
Diane VanDe Hei
Executive Director
Association of Metropolitan Water Agencies



Jeff Eger
Executive Director
Water Environment Federation



Ken Kirk
Executive Director
National Association of Clean Water Agencies



Peter King
Executive Director
American Public Works Association

Cc: Members of the Senate; Members of the House