

July 13, 2017

The Honorable Mike Enzi
Chairman
Committee on the Budget
U.S. Senate
Washington, D.C. 20510

The Honorable Diane Black
Chairman
Committee on the Budget
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Bernard Sanders
Ranking Member
Committee on the Budget
U.S. Senate
Washington, D. C. 20510

The Honorable John Yarmuth
Ranking Member
Committee on the Budget
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Enzi, Senator Sanders, Chairman Black and Representative Yarmuth:

As Congress initiates discussions on the proposed spending levels for FY 2018, the New England Water Environment Association (NEWEA) writes ***to urge your support for continued federal investment in water infrastructure, geographic watershed programs, and water research programs*** – all of which provide essential backing to states and local communities to ensure the availability of safe and clean water.

Since enactment of the Clean Water Act in 1972, Congress has supported a strong federal funding partnership with states and local ratepayers to pay for critical investments to ensure the goals of the Act are fulfilled. Infrastructure investment programs such as the Clean Water (CW) and Drinking Water (DW) State Revolving Funds (SRFs), the Water Infrastructure Finance & Innovation Act (WIFIA), geographic watershed protection programs such as the Lake Champlain Basin Program, Long Island Sound Study and our National Estuary Programs (Narragansett Bay, Casco Bay, Buzzards Bay and Great Bay) provide key funding to help states and communities meet today's critical and costly water challenges. EPA also provides important funding for water research initiatives (Southeast New England Program) that benefit local communities and local ratepayers.

High bacteria levels found in streams, rivers, and lakes may make waters unsafe for swimming and other recreation, impacting local economies and human health. In 2013, the EPA, in its first comprehensive survey looking at the health of thousands of stream and river miles across the country, documented more than half – 55 percent – in poor condition for aquatic life, largely due to excessively-high nitrogen and phosphorus levels, resulting in nutrient pollution. Critical funding to water programs not only helps ensure safer and cleaner water, but is vital to property values, tourism, and recreational and commercial fishing, all of which provide long-term benefits to our economy.

NEWEA was heartened to see the proposed FY 2018 budget request for United States Environmental Protection Agency (EPA) Water Programs included an increase to the Clean Water and Drinking Water State Revolving Funds (SRFs) and robust funding for the Water Infrastructure Finance and Innovation Act (WIFIA). However, the proposed reductions in the rest of the EPA Water Programs budget would be devastating to these programs and are unacceptable to us. For example, the proposed elimination of funding for geographic watershed programs, along with proposed reductions to important water-related research programs and state grant programs, jeopardize progress that has been made in achieving our national water quality goals.

We urge Congress to maintain funding in EPA's budget for these programs that support real investments in safe and clean water that protect our public health and ensure our quality of life. We also urge Congress to ensure that funding for the SRFs and WIFIA programs is not reduced. In addition, the proposed complete elimination of the Rural Development Administration grant program for water and wastewater grants for rural communities would result in a very substantial reduction in federal funding for water infrastructure that would impact our neediest communities. We also request that these funds be restored. Additionally, tax exempt municipal bonds have been tax-exempt since 1913 and financed the majority of infrastructure investments in 2016. Please ensure this tax-exempt status continues.

Our national and regional water challenges are growing more complex: the majority of drinking water, wastewater treatment, and stormwater management systems operate using pipes that are well beyond their useful life; pollution from diffuse sources such as urban stormwater and agricultural runoff continue to stymie efforts to meet water quality goals; and increasingly unpredictable weather events challenge our ability to provide consistent levels of service. Operating these systems is also growing more complex as utilities confront cybersecurity and other threats unforeseen even a decade ago. Now is not the time to pull back federal funding.

According to the 2017 Infrastructure Report Card released by the American Society of Civil Engineers the United States scored a D in drinking water and a D+ in wastewater infrastructure. With grades like these, action needs to be taken and federal spending levels need to be strengthened. While we understand the difficult fiscal decisions you must make in Washington, NEWEA is concerned about budget reductions to these critical programs, especially in light of the overwhelming need for water infrastructure investment.

On behalf of our members, I appreciate your early attention and leadership on these important issues, and look forward to continued engagement with Congress during the budget development process. NEWEA is a not-for-profit technical and educational organization that promotes the protection and enhancement of our water environment. Comprised of the six New England states, NEWEA serves over 2,000 members and is a member association of the Water Environment Federation (WEF), an internationally renowned organization. NEWEA's mission is to promote education and collaboration while advancing knowledge, innovation and sound public policy for the protection of the water environment and our quality of life.

If you have any questions on this issue or other NEWEA positions, please contact Mary Barry, Executive Director, New England Water Environment Association, 10 Tower Office Park, Suite

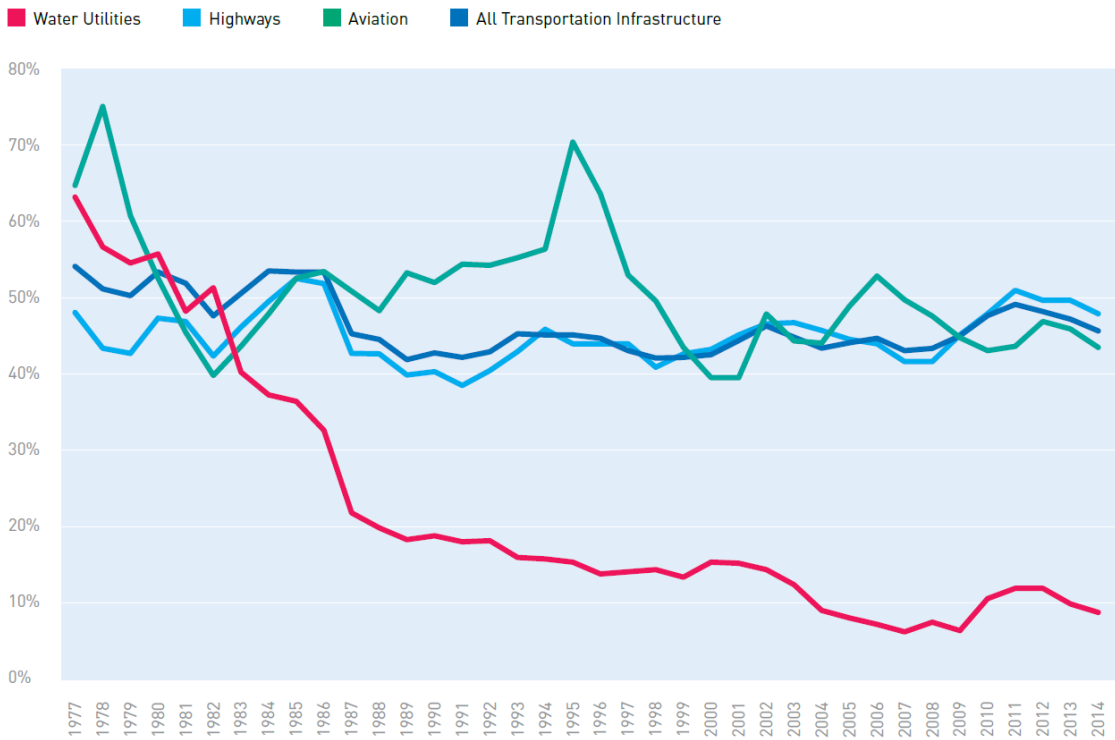
601, Woburn, Massachusetts, 01801, 781-939-0908, 781-939-0907 (fax), mbarry@newea.org, www.newea.org. Thank you very much for your consideration.

Sincerely,

Value for Water Campaign Facts: <http://thevalueofwater.org/resources>

Water utilities serve 86% of the national population, provide approximately half of the freshwater used by commercial and industrial businesses and have a current national capital need of \$123 billion per year but currently aggregate capital spending at the local, state and federal level currently totals \$41 billion per year. The number of jobs supported annually by funding the water infrastructure gap is greater than the employed workforce in sixteen states. For every \$1 million invested in water infrastructure, it is estimated that upwards of fifteen jobs are generated throughout the economy.

Federal Contribution to Total Infrastructure Spending



Recipient	Per Capita Federal Investment			
	\$0	\$100	\$200	\$300
IT Infrastructure (Federal Departments)	\$251			
Research & Development—Defense	\$245			
Research & Development—Civilian	\$208			
Higher Education Grants	\$143			
Highways	\$136			
Other Transportation Infrastructure	\$55			
Energy Infrastructure	\$46			
Water Infrastructure	\$11			

Values expressed in 2014 dollars. Source: CBO 2015, CBO 2013, GAO 2016.