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Monday, July 8, 2024

The Honorable Michael S. Regan
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue NW
Washington, D.C. 20460
Via email: regan.michael@epa.gov

Dear Administrator Regan:

Thank you for your leadership in addressing water infrastructure needs during Infrastructure Week on May 13, 2024. We write to you as a coalition of NGOs, public clean water and stormwater utilities, and water quality professionals to express our appreciation for the U.S. Environmental Protection Agency's (EPA) recent actions to modernize our nation's water infrastructure, including upgrading aging water mains and pumps, addressing lead service lines, and improving community resilience to climate change impacts like flooding. We write to you today to spotlight additional efforts we think EPA can take to enhance stormwater and wastewater management at the state and local levels.

Water is the lifeblood of our cities, towns, and communities. It provides jobs and economic opportunities in the water workforce, supports agriculture and farmers, enhances access to recreation, and grows diverse economies. For every \$1 million invested in water infrastructure, 15 jobs are created, and studies have consistently shown a \$6 return for every dollar invested. Another study found green infrastructure is a growing area of investment and is being used by municipal stormwater managers and land developers to meet Clean Water Act regulations as well as to mitigate water quality and quantity impacts.

Yet municipal utilities remain hamstrung in their ability to progress in addressing aging infrastructure challenges and emerging issues—like the impacts of climate change. Clean water utilities and stormwater programs need increased federal investment to help meaningfully tackle water management demands, incorporate new stormwater management technologies, and address intensifying wet weather events as well as water scarcity.

But a massive gap between what is available, and the dollars needed, is growing at a rapid and unsustainable pace. The agency's own 2022 Clean Watershed Needs Survey outlines future costs to maintain and modernize wastewater treatment works and stormwater infrastructure – showing at least \$630 billion needed for wastewater and stormwater over the next 20 years. The Survey found that communities will need \$115.3 billion over the next twenty years for stormwater infrastructure alone, \$94.4 billion for non-point source control, and \$36.5 billion for CSO corrections. We applaud the increased attention to stormwater costs in this latest Survey.

Additionally, the 2022 Municipal Separate Storm Sewer System (MS4) Needs Assessment Survey found that 90 percent of MS4 communities have done little or no planning to increase the resilience of their communities or storm sewer systems in the face of anticipated changes in rainfall due to climate change. Upgrading the large pool of aging systems nationwide, especially in densely populated areas, carries significant costs and engineering challenges. To overcome these challenges, we look forward to working with the agency to help develop and grow federal resources directed toward local communities to address these infrastructure and environmental stresses imposed through increased extreme wet weather events.

In light of these challenges, we urge EPA to increase funding and financing tools dedicated to stormwater and wastewater management, while incorporating more flexibility for communities to access these resources. While we are pleased to see EPA make nearly \$41 million available in funding through the Sewer Overflow and Stormwater Reuse Municipal Grant (OSG) program to help communities address stormwater and sewer infrastructure needs, EPA can also help reduce barriers to entry in the Clean Water State Revolving Fund (CWSRF) for stormwater capture and green infrastructure projects, including by expanding the types of revenue streams that would qualify stormwater systems to access the CWSRF.

Additionally, for programs with a dedicated funding source, it is critical to lessen the need for excessive documentation to prove their eligibility for a low-interest loan, therefore better aligning the stormwater sector with the CWSRF application, reporting, and tracking process. EPA also needs to continue to provide more resources for outreach and technical assistance to support green stormwater infrastructure.

EPA should also develop a communications and coordination plan to enhance state, municipal, and regional interagency coordination for stormwater management. Stormwater management that allows for some reuse later is a beneficial practice used in some locations that can be applied nationally. It is a proven method to lessen the volume of water contributing to CSOs and thus reduce the cost of treatment at utilities. A federal communications strategy could highlight successful stormwater management and reuse projects and practices throughout the country and allow other states to incorporate the lessons learned into their stormwater management efforts. This collaborative approach could expand the types of benefits and trade-offs evaluated in water management decisions.

There are also great opportunities for EPA to better leverage private sector capacity and investment to implement stormwater infiltration projects more quickly. This can be done by developing guidance addressing the use of public-private partnership approaches to stormwater infiltration, including the use of stormwater credit trading concepts and applications, to help capacity for implementing policies and programs to enable broader participation of private landowners.

And lastly, EPA should continue to better incentivize and encourage states to incorporate Integrated Planning (IP) into stormwater, wastewater, and drinking water management plans. Codified into law by Congress in 2018, IP can assist large and small communities in managing costs and sequencing and prioritizing their clean water investments—empowering communities to maximize environmental benefits and prioritize their most critical environmental outcomes. The IP approach can help communities develop water resources management plans that best address their stormwater, wastewater, and drinking water needs and identify opportunities for integrating water resources management that improve water supplies and water quality outcomes.

Repairs and retrofits are needed now more than ever to modernize aging stormwater and wastewater infrastructure, drastically curbing flooding and cutting pollution. In 2022 alone, there were 17 stormwater-related natural disasters in the U.S., each costing well over \$1 billion in damages. By comparison, there were just five of these types of disasters in the last twenty years.

We appreciate the progress that EPA has made in clean water and stormwater infrastructure through the infusion of direct funding through the Bipartisan Infrastructure Law (BIL), as well as continuing to support additional financial tools and programs like the Water Infrastructure Finance and Innovation Act (WIFIA) program, that could leverage an additional \$50 billion in water infrastructure financing to critical projects helping improve national water quality.

Taking these and other actions at the federal level would show that our nation is meaningfully implementing new stormwater and wastewater approaches, tackling the climate crisis, and ensuring distressed and disadvantaged communities have improved access to new tools and resources. We applaud EPA's continued leadership on this issue and stand ready to support you in modernizing public clean water systems and setting forward-thinking water infrastructure policies to meet our clean water needs and goals for a better tomorrow.

Sincerely,

American Rivers
National Association of Clean Water Agencies
National Municipal Stormwater Alliance
Water Environment Federation