

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

MARTIN J. DURBIN
SENIOR VICE PRESIDENT, POLICY

1615 H STREET, NW
WASHINGTON, DC 20062
(202) 463-5399

March 8, 2021

The Honorable Tom Carper
Chairman
Committee on Environment
and Public Works
United States Senate
Washington, DC 20510

The Honorable Peter DeFazio
Chairman
Committee on Transportation
and Infrastructure
U.S. House of Representatives
Washington, DC 20515

The Honorable Shelley Moore Capito
Ranking Member
Committee on Environment
and Public Works
United States Senate
Washington, DC 20510

The Honorable Sam Graves
Ranking Member
Committee on Transportation
and Infrastructure
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Carper, Chairman DeFazio, Ranking Member Capito and Ranking Member Graves:

Water is among America's most precious resources. Companies and the communities in which they operate rely upon this critical lifeline to improve public health, ensure food and energy security, and grow the economy. Water resources management is also closely aligned with and essential to meeting our national priorities on climate change and environmental justice. The recently enacted Water Resources Development Act of 2020 was welcome progress, but did not include several important drinking water and wastewater provisions. The U.S. Chamber of Commerce urges you to include water policy as a critical element of any broader infrastructure legislation your committees consider this year.

Last year, we shared several suggestions on proposed [water](#) and [resilience](#) policies for 2020, most of which remain relevant to the debate. The following items reaffirm these issues and highlight our 2021 priorities:

- **Funding and Finance.** Congress should fully fund existing finance tools, including clean water and drinking water state revolving funds, the Water Infrastructure Finance and Innovation Act, USDA's drinking water and wastewater rural development programs, the Border Water Infrastructure Program, and expanding the EPA Categorical Grant Programs to include the Ohio River Basin (as is done for other watersheds). Congress should also offer more flexibility to mobilize private capital and promote public-private partnerships.
- **Regulatory Flexibility.** Congress should provide the regulated community with needed flexibility and alternative compliance pathways to meet water quality requirements, including off-site stormwater, integrated planning, water quality trading, and other market-based

management options. We also suggest that recipients of federal water funding be required to include an evaluation of their full costs to ensure financial accountability and transparency.

- **Resilience and Adaptation.** Congress should urge the Administration to elevate resilience as a national priority by creating a chief resilience officer at the White House and developing a national resilience strategy to integrate actions across the government and the United States. Congress should also urge FEMA to fully fund the Building Resilient Infrastructure and Communities program at 6% and appropriate funds to capitalize the new Resilience Revolving Loan Funds.
- **Technology Innovation and Adoption.** Congress should authorize and fund water technology innovation action, create an industrial water reuse tax credit, provide R&D for PFAS treatment technologies, and make point-of-use/point-of-entry (POU/POE) technologies eligible for environmental justice funding.

More details and suggested policies are contained in Appendix 1.

As part of the Chamber-led “Build by the Fourth of July” [infrastructure campaign](#), we are calling on members of Congress to commit to action on infrastructure legislation, including water policy, by July 4, 2021. Prompt legislative action to support infrastructure can provide a strong foundation for needed economic recovery and continued environmental progress. We urge you to join us in this effort.

Sincerely,

A handwritten signature in black ink, appearing to read "Martin J. Durbin". The signature is fluid and cursive, with a large, stylized initial "M" and a long, sweeping underline.

Martin J. Durbin
Senior Vice President, Policy
U.S. Chamber of Commerce

cc: Radhika Fox, Principal Deputy Assistant Administrator for the Office of Water, Environmental Protection Agency

Appendix 1—Key U.S. Chamber 2021 Water Priorities

- **Interagency coordination and elevation of water as a national priority.** Congress should formalize the [water subcabinet](#) to ensure that the approximately 24 agencies with jurisdiction over water are aligning their funding and water management approaches. We suggest raising the priority of water by creating a special assistant to the president for global water and water infrastructure policy.
- **Wastewater surveillance for COVID.** Wastewater has a long track record of providing leading indicators for various pathogens. Congress should in short order establish a national program for wastewater monitoring for COVID-19 and expand funding, authority, and coordination for the relevant federal agencies that standardize testing and support wastewater utilities and laboratory capacity. Such a program would help ensure the health of our communities and reopen the economy.
- **Environmental justice.** Liquidity and affordability are critical issues impacting water systems as we make investments in our infrastructure to better serve all communities, including those without current water and sanitation access, and help improve quality of life. Congress should provide research and pilot opportunities that tie job growth to utility capital improvements and offer access to POU/POE technologies as interim water quality solutions in low-income and marginalized communities.
- **Funding.** The Chamber supports full funding for State Revolving Funds, the Water Infrastructure Finance and Innovation Act, and USDA’s rural development programs. We recommend elevating stormwater management funding to an independent agency function a similar level as drinking water and wastewater and increasing funding for the Border Water Infrastructure Program to address U.S.-Mexico water and wastewater challenges. Funding is also needed particularly for small, disadvantaged communities to address increasing treatment requirements for emerging contaminants (e.g., PFOA, PFOS, lead, and copper). Increased funding should be provided to EPA’s Categorical Grant Programs to allow expansion of eligibility, (which currently includes: Great Lakes Restoration Initiative, Chesapeake Bay, Puget Sound, Gulf of Mexico, Long Island Sound, Lake Champlain, Southern New England Estuaries, South Florida and Lake Ponchartrain) to include the Ohio River Basin
- **Incentives for troubled system assistance.** Congress should incentivize public and private utilities and other appropriate entities with the resources to help smaller systems that are out-of-compliance by: providing a “safe harbor” that proscribes enforcement for a defined period for the acquirer of a troubled system to bring it into compliance; and extending an investment tax credit to the acquirer of non-compliant systems with fewer than 10,000 service connections.
- **Public-private partnerships.** Congress should support private eligibility for Clean Water Act State Revolving Loan Fund projects, remove the cap on private activity bonds, and prioritize grants or loans to those projects that bring private investment to complement federal financing and funding.
- **Regulatory flexibility.** The Chamber supports fostering commonsense, alternative compliance opportunities to meet water quality requirements, including overseeing off-site alternative compliance for stormwater management; promoting water quality trading and other market-based mechanisms; requiring EPA to develop a compendium of off-site best management practices; exempting water filters from being treated as pesticidal devices under FIFRA requirements if they meet robust industry standards and certifications; encouraging water filter eligibility under disaster response; and establishing national PFAS treatment levels based on sound science.

- **Resilience.** The Chamber supports promoting predisaster mitigation solutions, including developing a national resilience strategy; funding for the recently passed Resilience Revolving Loan Fund Act; creating a resilience predevelopment fund to provide communities with needed project planning assistance; and permanently authorizing and expanding a disaster response to include predisaster mitigation under the Community Development Block Grant program. The Chamber supports full funding (6% of federal disaster declaration funding under current law) for FEMA’s Building Resilient Infrastructure and Communities program and recognition of American National Standards in the program. Also, Congress should apply big data and machine learning to help build smarter, more resilient infrastructure, enhance system cybersecurity, and offer integration and interoperability with other lifeline infrastructure.
- **Tariff exemptions for water/sanitation-related products.** Congress should provide an exemption for the current 25% tariff on water filtration and other related products, which makes these products more expensive to those consumers most in need of better water quality and those least able to afford it.
- **Technology innovation.** Congress should extend authorization, expand, and fully fund the technology innovation fund created in the American Water Infrastructure Act of 2018, create a new industrial water reuse tax credit, and provide funding for federal export promotion programs on water, and research in water treatment technologies to address community health and water quality concerns, especially around emerging contaminants (e.g., PFAS).
- **Workforce development.** Congress should build on the current EPA campaign and call for coordinate with the U.S. Department of Labor and other agencies in developing a workforce development program helping American workers get the skills and credentials needed to support the operation, maintenance, and improvement of water and wastewater systems of tomorrow. Congress should enact policies that simplify the award and intrastate recognition (e.g., reciprocity and portability) of water operator and engineering certifications.

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