

BUSINESS TASK FORCE ON WATER POLICY



POLICY PRIORITIES AND PROPOSALS SUMMARY

Water is among our most precious resources, one that is essential to health and human life. Businesses and communities depend on it to drive the American economy, and significant investments in water infrastructure are needed in the U.S. and around the world. While many organizations have worked over the years to advance water infrastructure investments, an integrated coalition led by businesses and other key water and finance sector partners is required.

The U.S. Chamber of Commerce launched the Business Task Force on Water Policy to catalyze support for water infrastructure investments in the U.S. and elevate water in the national policy discussion. Business as usual and relying on government funding alone will not solve this fundamental challenge.

PRINCIPLES

Below are policy principles that will meet American businesses' water and wastewater infrastructure needs for generations to come and make the U.S. a leader in bringing clean water and sanitation to the world:

- **Increased and sustained funding and expanded opportunities for financing**—promoting increased federal, state, and local investments in infrastructure modernization and mobilizing private capital.
- **Regulatory flexibility and efficiency of service**—proposing commonsense, flexible policies to improve the enabling environment for businesses to continue creative and innovative approaches.
- **Resilience**—facilitating resilient infrastructure, including water and watershed management and flood control, through funding and policies to support predisaster mitigation and engaging experts and stakeholders.
- **Small communities and small business needs**—providing investments and policy solutions specifically focused on the needs of the agricultural sector, small communities, and small businesses, including improving access to water and sanitation in rural areas.
- **Technology innovation**—increasing innovation and its adoption by reducing barriers to implementation, promoting effective utility management, and helping communities achieve the scale and expertise necessary to deploy technology through additional technical assistance and cooperative arrangements. This effort also supports funding the creation of a National Water Infrastructure Test Bed Network (TBN), establishing a national program for collaborating and sharing best practices, and promoting exports of water technologies, products, and services.

These principles underscore the task force's interest in the One Water approach¹ to integrate and optimize the use of our finite drinking water, wastewater, and stormwater resources to create a more resilient water future.

¹ The One Water approach envisions managing all water in an integrated, inclusive, and sustainable manner to secure a bright, prosperous future for our children, our communities, and our country. One Water is a transformative approach to how we view, value, and manage water—from local communities to states, regions, and the national scale. http://uswateralliance.org/sites/uswateralliance.org/files/publications/One%20Water%20for%20America%20Policy%20Framework%20Executive%20Summary_0.pdf



PRIORITIES AND PROPOSALS

Following are the business community's 2019 water infrastructure and management priorities:

- **Provide appropriations to maximize federal water infrastructure investments.** While AWIA included a solid beginning to meet water infrastructure needs nationwide, full funding for the SRFs, WIFIA, and the 32 new water management programs is a top priority.
- **Expand opportunities for partnerships.** Congress should harness the authorized, but underutilized WIFIA program and increase its size to support more loan guarantees. To leverage the beneficial impacts of this program, preference should be given to those projects that encompass cooperative arrangements among utilities or that bring private investment to complement the financing of the project. Policies should encourage cooperative arrangements, including those that will more efficiently marshal scarce resources and mobilize private capital. Specific steps follow:
 - Expand WIFIA and provide associated funding for USACE, USBR, and other water-focused agencies as appropriate.
 - Help states create appropriate legal frameworks for deals to occur and replicate.
 - Prioritize regional projects and project bundling for SRF and WIFIA funding.
 - Provide technical assistance to small and rural systems, focusing on developing bankable projects of interest to private investors.
 - Remove barriers to public-private partnerships (P3s):
 - Provide eligibility for private utilities for SRF funding.
 - Remove constraints on asset sales/leasing, such as bond defeasance penalties.
 - Offer legislative safe harbor for acquirer of systems that are out of compliance with regulations.
- **Provide off-site, alternative compliance stormwater solutions.** EPA should provide flexibility for companies to provide off-site stormwater management solutions, including green infrastructure, water quality trading, a stormwater bank, and water reuse. Green infrastructure should be made an explicit eligible activity under Land and Water Conservation Fund programs. Outcomes-based financing should be considered to promote private sector investment and leverage federal funding in green infrastructure or other relevant solutions.
- **Promote water reuse and recycling and remove outmoded barriers to its use.** EPA should eliminate the classification of Advanced Treated Water as “a discharge of pollutants” under the Clean Water Act and regulate it under the Safe Drinking Water Act.
- **Support full funding for the WaterSense program.** Congress should fund this effort promoting water conservation technologies and products and incentivizing consumer adoption.
- **Remove barriers to U.S. government collaboration on water data and resilience.** U.S. government science agencies (e.g., EPA, FEMA, NOAA, NSF, USACE, and USGS) should have specific authority to work together and share water data and information perhaps modeled after the National Drought Resilience Partnership and the new water subcabinet to meet their mission requirements.
 - The task force also proposes additional legislative or administrative authority to ensure that appropriate resilience and national security agencies are encouraged to team up to implement resilient water infrastructure and establish a framework for collaboration and deployment of innovative resilient technologies:
 - Develop a water data-sharing platform to improve accessibility and usability for federal, regional, state, and local decision makers.
 - Utilize evidence-based decision making to ensure that water solutions account for economic impact.
 - Address governance of data collection, quality, storage, exchange, analysis, and use, including funding and cost recovery options, to clarify data ownership and the responsibilities of relevant government agencies.
 - Promote the development of cybersecurity technologies to protect critical water infrastructure from cyberattacks.
 - The task force calls on Congress to establish a federal pilot program to enhance the mapping of urban flooding and associated property damage, including the potential modeling of the impact of extreme weather events and the availability of



such mapped data for homeowners, businesses, and communities to understand and mitigate the risks of increasing urban flooding.

- **Support development and funding for a TBN.**

Congress should authorize and fund the creation of a national water infrastructure TBN, to promote greater uptake of 21st century water and wastewater technologies. The TBN would bring together the broader water community (e.g., regulators, operators, and consulting engineers) and engage them in piloting and demonstration efforts to raise confidence in and verify performance for innovative technologies. The TBN could also serve as a national clearinghouse for technology that meets or serves as best available technology for meeting regulatory requirements.

- *Provide \$20 million in funding for the National Priorities Water Research Grant Program.* The task force suggests increased funding for this program, with its cost share requirements, to address priority drinking water, wastewater, water reuse, and stormwater research needs.

- *Encourage NIST's Water Quality and Efficiency Research.* Congress should recommend that NIST support additional research to update the current body of decades-old data regarding on-site plumbing design. Consideration should be given to gathering and assessing new technical information to ensure that systems are designed, installed, and operated to maximize water efficiency, water quality, and energy efficiency.

- **Provide additional flexibility for the environmental trade working group to focus on water.**

The administration should utilize the existing ETWG mechanism to promote export opportunities for U.S. water technology innovation by boosting U.S. government commercial diplomacy to expand the export of U.S. technologies and expertise, such as reverse trade missions and engagement with U.S. embassies and missions in key markets.

- *Open international markets to water-related U.S. technologies and approaches.* The task force supports funding for the Department of Commerce's Market Development Cooperator Program (MDCP). It is an important tool in achieving the vision of the U.S. government Global Water Strategy, addressing trade barriers, encouraging innovation, increasing exports, and ensuring global competitiveness.

- **Support development and funding for a TBN.**

Support funding and expansion of current water and wastewater apprenticeship and other workforce development initiatives. The SDWA includes several set-asides related to the certification and training of water operators. Congress should reinforce that authority by tasking EPA and the Department of Labor to fund and expand water-focused career paths and apprenticeship programs.

- **Encourage the use of effective utility management, including full-cost accounting.**

Consideration should be given to proposals for federal funding that include a utility's full cost of operation, such as those costs associated with systems leaks, as essential first steps in making the cost-benefit case for the deployment of new technologies and funding.

- **Ensure the equal treatment of water efficiency rebates under tax law.**

Rebates from energy utilities are tax-exempt, but not rebates from water utilities. With the rapid growth of water-saving programs, millions of Americans face an unexpected tax bill once these rebates are reported to the IRS.

- **Preserve local control in the design of water and wastewater systems.**

Local utilities and their engineers are best situated to determine the design and materials appropriate for their needs, with appropriate oversight processes and guidance when needed. The ultimate decision on such matters should be left to their professional judgment.

For more information and to join this important effort, contact Chuck Chaitovitz, vice president for Environmental Affairs and Sustainability at cchaitovitz@uschamber.com.



U.S. CHAMBER OF COMMERCE