

December 13, 2024

The Honorable Donald J. Trump  
President-Elect of the United States  
Washington, DC

Dear President-Elect Trump,

Congratulations on your election as the next President of the United States of America. The undersigned organizations stand ready to work with you to advance policies that strengthen the nation by recognizing water as a national priority.

Our organizations represent utilities, communities, the front-line water workforce, and advocates across the drinking water, wastewater, water recycling, and stormwater communities. America's network of drinking water, wastewater, water recycling and stormwater infrastructure plays a central, critical role in supporting public health and economic development, and therefore we urge your administration to prioritize policies that promote affordable, reliable and well-functioning water systems.

The opportunities to strengthen our water systems are clear. A 2024 report by the Value of Water Campaign identified a \$91 billion gap between the nation's water infrastructure needs and spending. If left unaddressed, this gap will grow to more than \$2 trillion by 2043.<sup>1</sup> While the investment needs are daunting, they also present a profound opportunity. Robust investment in water will grow our economy, create jobs, address water quantity and quality challenges, and help protect communities from natural disasters. Our organizations are eager to help your administration develop a comprehensive strategy to address pressing topics like water affordability, infrastructure funding, and informed regulations to position the nation's water systems for success.

Outlined below are select consensus policy recommendations that we encourage you to adopt as the core of your water policy agenda in 2025 and beyond. Our organizations would welcome the opportunity to meet with members of your transition team at their earliest convenience to discuss these priorities and other common areas of interest.

### **Support Robust Investment in the Nation's Water Infrastructure**

The need for long-term investment in water systems is urgent, with local utilities facing unprecedented challenges that threaten public health, environmental quality, and economic growth. While the federal government took steps to address this challenge by providing a one-time infusion of nearly \$50 billion in additional drinking water, wastewater, and water recycling funding, those extra funds will expire during your term. Support for water infrastructure investments creates economic opportunity for all Americans through jobs and local economic

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<sup>1</sup> The Value of Water Campaign, "Bridging the Gap: The Power of Investment in Water." 2024, [https://uswateralliance.org/wp-content/uploads/2024/05/Bridging-the-Gap\\_-The-Power-of-Investment-in-Water-Fact-Sheet.pdf](https://uswateralliance.org/wp-content/uploads/2024/05/Bridging-the-Gap_-The-Power-of-Investment-in-Water-Fact-Sheet.pdf).

development that is stable, domestic, well-paying, and community-based. We therefore urge your administration to prioritize increased funding for critical drinking water, wastewater, and water recycling projects that will renew our critical infrastructure from coast to coast.

EPA's most recent investment needs surveys, the 7<sup>th</sup> Drinking Water Infrastructure Needs Survey and Assessment<sup>2</sup> and the 2022 Clean Watersheds Needs Survey,<sup>3</sup> underscore the need for additional water infrastructure investment.

The 7<sup>th</sup> Drinking Water Infrastructure Needs Survey, which was collected by EPA, states, and water systems in 2021, includes infrastructure projects that are necessary over the next 20 years for water systems to continue to provide safe drinking water. These projects include infrastructure needs that are eligible for, but not necessarily financed by, the Drinking Water State Revolving Fund (DWSRF). The survey identified a total need of \$625 billion over the next 20 years.

Similarly, the 2022 Clean Watersheds Needs Survey identified an estimated \$630 billion in unfunded clean water needs over the next 20 years to maintain existing levels of service. The largest share, 55%, is required for centralized wastewater treatment and collection systems, and 18% of the total need is for municipal stormwater systems. The survey also identified nearly \$8 billion in needed investment in recycled water conveyance, above and beyond the investment needed in water recycling systems themselves.

Infrastructure needs for drinking water, clean water, and water recycling systems play a vital role in safeguarding public health and ensuring that all communities have access to safe, clean water. Many water systems are aging, with pipes and treatment facilities that are well beyond their intended lifespan. Meanwhile, utilities are working to address new, emerging challenges and regulatory mandates related to PFAS, lead service line replacement, and compliance with evolving water quality standards. Critically, EPA's estimates only include the costs of maintaining current levels of service and do not incorporate looming new regulatory expenses. These emerging obligations underscore how evolving challenges require significant, sustained investment beyond current levels of federal support.

Water utilities rely first and foremost on ratepayer revenue to cover the majority of infrastructure costs, but federal investment programs play a critical role in helping communities upgrade their infrastructure more affordably. Both the DWSRF and Clean Water State Revolving Fund (CWSRF) are critical lifelines for local utilities, helping to finance essential infrastructure projects in communities across the country. However, outside of the recent additional funding provided by Congress, both programs have received stagnant federal funding for many years. Without reliable federal funding, households will be increasingly burdened by rising water costs which may also hinder progress on essential improvements.

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<sup>2</sup> 7<sup>th</sup> EPA Drinking Water Infrastructure Needs Survey. Source: [https://www.epa.gov/system/files/documents/2023-09/Seventh%20DWINSA\\_September2023\\_Final.pdf](https://www.epa.gov/system/files/documents/2023-09/Seventh%20DWINSA_September2023_Final.pdf)

<sup>3</sup> EPA 2022 EPA Clean Watershed Needs Survey Report, released May 2024. Source: <https://www.epa.gov/system/files/documents/2024-05/2022-cwns-report-to-congress.pdf>

Several additional federal programs provide critical support for water infrastructure across the country. The Title XVI Water Reclamation and Reuse Grants Program and Pilot Program for Alternative Water Source Grants provide federal cost share for water recycling projects across the country. These programs help communities build drought resilience, keep nutrients and other pollutants out of sensitive waterways, save billions of dollars relative to importing water, and grow local economies. They are key economic development and water resource management tools. Despite recent investments, the need for capital for water recycling projects far outstrips available funding, and this demand will only grow as recurring drought and other pressures continue to threaten local and regional water resources.

These investments will not only protect public health but also enhance environmental outcomes, support job creation, and encourage economic development throughout the country. A strong federal commitment to water infrastructure is essential to ensuring every community, regardless of size or location, has access to safe and reliable water services.

### **Support the ‘Polluter Pays’ Principle for PFAS Cleanup**

Earlier this year, the EPA finalized a hazardous substance designation for two per- and polyfluoroalkyl substances (PFAS) - perfluorooctanoic acid (PFOA) and perfluorooctane sulfonic acid (PFOS) - under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). While intended to hold polluters accountable, the CERCLA designation for these two PFAS will have far-reaching implications for water systems that are on the front lines of water quality protection.

CERCLA was built on a “polluter pays” goal, intended to hold the companies that produced and profited from hazardous substances responsible for their cleanup from the environment. However, without explicit liability protections, water systems that passively receive PFAS substances into their systems could face retroactive, strict, joint and several liability under CERCLA simply because an upstream polluter released the chemicals into the wastewater stream or the environment.

This threat of liability creates an unjust burden for water systems and their customers, who could be forced to foot the bill for PFAS twice—once to pay for the treatment technology to address PFAS in their water supplies and again for potentially massive legal and cleanup costs at a Superfund site. Without liability protection for water systems, private parties who directly manufactured, profited from, and then released PFAS into the environment are able to sue local utilities to share their cleanup burden, potentially inflicting massive costs to water customers. While EPA may not intend for water systems to share this undue burden, without an explicit statutory exemption from liability, other potentially responsible parties including chemical companies may seek to shift their legal cost burden to water systems.

We urge your administration to uphold the original “polluter pays” intent of CERCLA by ensuring that chemical companies and other polluters cannot shift the cost of their contamination

onto local communities. To protect water system ratepayers, we ask you to call on Congress to provide narrow and targeted statutory CERCLA liability protections for water systems for PFAS.

### **Promote Regulations Based on Sound Science and Fair Policies; Increase Interagency Coordination**

For 50 years, the drinking water, wastewater, and stormwater sector has protected public health and environmental quality based upon regulations developed through a systematic and science-based process. The Safe Drinking Water Act and the Clean Water Act are the sector's primary regulatory mechanisms, but the clarity these statutes once provided has become blurred. Due in part to other federal regulatory mechanisms such as CERCLA and the Clean Air Act, and a patchwork of state regulations, utilities are often forced to allocate limited ratepayer funds toward projects or compliance standards that may have limited overall public health or environmental benefit.

In recent years, our organizations' members have struggled to navigate a shifting landscape of regulatory obligations. Water systems rely on the certainty provided by a regulatory development process that follows a thorough scientific and public feedback process.

As your administration begins to establish its policy priorities, we call upon you to direct federal agencies to base the development of future regulations with these principles in mind:

- Use sound science and technical merit to advance regulations and policies.
- Ensure that regulations accurately and fairly consider the costs and economic impacts to the affected entities and their constituencies.
- Support policies that advance the modernization and affordability of critically needed water infrastructure investments.
- Bolster research and development to find innovative solutions to pressing challenges in water.
- Ensure a thorough and robust public review process and ensure final regulations reflect public input.

Additionally, as your administration looks to take action on regulations impacting the water sector, we urge you to increase interagency coordination by reestablishing the Water Subcabinet. During your first term, the establishment of a Water Subcabinet by Executive Order 13954 was strongly supported by the signers of this letter. The Subcabinet helped to align missions and eliminate duplication through formal coordination among all stakeholders, including federal and state regulators, local communities, and all segments of industry. Improving interagency coordination is critical to efficiently and effectively manage and modernize the nation's water supplies and systems while also eliminating duplication between agencies.

### **Take Action to Promote Water Reuse and Recycling Efforts**

During the first term of the Trump Administration, you championed water recycling as a multi-benefit tool to support communities, build the economy, and protect public health. We appreciate

your leadership on water recycling and stand ready to help you continue this work over the next four years.

Water reuse, also known as water recycling, is the process of intentionally capturing wastewater, stormwater, or graywater and cleaning it as needed for a designated beneficial freshwater purpose, such as drinking, industrial processes, and watershed restoration. Communities across the country are incorporating water reuse into their water management strategies as a proven method for protecting water quality, building reliable and resilient water supplies, and supporting local economic growth.

In 2020, your administration launched the National Water Reuse Action Plan (WRAP), a first-of-its-kind effort to scale up water recycling around the country. Since then, the WRAP has grown to include 157 unique partners collaborating across 69 actions. It is a critical convening tool that continues to advance the practice of water reuse across the country. We urge you to continue to implement and strengthen the WRAP.

Your administration should also maintain the Federal Interagency Working Group on Water Reuse. Congress directed EPA to establish the Working Group to break down silos and align and leverage programs and resources across the federal family. The Interagency Working Group is chaired by EPA and is composed of officials from 15 federal agencies who convene regularly to support and coordinate federal engagement on water reuse. Federal law establishes a sunset date of November 15, 2027 for the Working Group but gives the EPA Administrator the authority to extend the date. Through the Interagency Work Group, your administration should work to integrate water recycling into the programs and policies of departments and agencies across the federal government.

### **Reauthorize and Fund the Low Income Household Water Assistance Program (LIHWAP)**

Access to basic drinking water and sanitation services is essential for public health and economic vitality. That's why in 2020 Congress created the Low Income Household Water Assistance Program (LIHWAP) through legislation that you signed into law. Administered by the Department of Health and Human Services (HHS), LIHWAP has helped 1.7 million low-income households nationwide maintain or restore their drinking water and wastewater service. Impacted households were served by more than 13,000 different water utilities in nearly every state, demonstrating the broad reach of the program.

The benefits of LIHWAP are twofold. Not only does the program promote public health, but it also enables the nation's public water and wastewater systems to invest in critical infrastructure that will allow them to continue serving their communities for decades to come. The vast majority of local water infrastructure investment is supported directly by rate-paying customers at the local level. If some of those customers are unable to afford rising water rates – and therefore leave their bills unpaid – they risk losing their water service while their utility loses revenue needed to sustain the system.

The Honorable Donald J. Trump

December 13, 2024

Page 6 of 6

The need for low-income water affordability assistance is acute and documented. According to HHS, 20% of households nationwide are in debt to their water utility.<sup>4</sup> Meanwhile, the cost of drinking water service has risen 43% over the last decade,<sup>5</sup> and the need to address aging water infrastructure and comply with expanded regulatory mandates is expected to put additional upward pressure on local water rates in the coming years.

Unfortunately, LIHWAP has been unfunded after its initial two tranches of appropriations totaling \$1.14 billion expired at the end of the 2023 fiscal year. As a result, water assistance is once again absent from the federal safety net, putting hundreds of thousands of households at risk of losing their water service and leaving tens of thousands of water and wastewater systems without needed operational revenues. Presidential leadership is key to advancing LIHWAP reauthorization as a national priority, so we urge you to make this a key aspect of your public health agenda for the coming year.

### Conclusion

Again, on behalf of our organizations representing the nation's drinking water, wastewater, water recycling, and stormwater communities, we congratulate you on your election as President of the United States. Over the next four years we look forward to working with you and your administration to develop and implement a policy agenda that leverages our recommendations to give America the best water and wastewater infrastructure in the world.

We are eager to meet with members of your transition team to discuss these topics and how we may be of assistance as your administration takes shape over the coming weeks and months.

Sincerely,



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Association



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Association of Metropolitan  
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<sup>4</sup> <https://www.acf.hhs.gov/sites/default/files/documents/ocs/lihwap-survey-report-03-14-24.pdf>

<sup>5</sup> <https://www.waterworld.com/water-utility-management/press-release/14209257/water-rates-up-43-over-last-decade>