



Western States Water

Addressing Water Needs and Strategies for a Sustainable Future

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WATER QUALITY/ORGANIZATIONS **CWA/SDWA/ACWA/ASDWA/GWPC**

On March 14, the Association of Clean Water Administrators (ACWA), Association of State Drinking Water Administrators (ASDWA), and Ground Water Protection Council (GWPC), wrote Office of Management and Budget (OMB) Director Mick Mulvaney and Scott Pruitt, Administrator, Environmental Protection Agency (EPA), to express concern over publicized information concerning a proposed 30% cut to State and Tribal Assistance Grants (STAG). Under the federal Clean Water Act (CWA) and Safe Drinking Water Act (SDWA), States are responsible for programs to meet federal water quality goals, including permitting and compliance. States rely on STAG categorical grants to implement federal mandates, and the letter states: "It is paramount that EPA's budget reflect the importance of providing state programs with crucial grant funds, and that EPA provide flexibility for states to determine how to best use those funds.... Our communities depend on safe and reliable sources of drinking water and value it highly. We have come so far over the past 40-years as we have removed pollution sources that literally made the water different colors, or our rivers burn.... To us and our member states, STAG funding is critical to maintain and continuing with these improvements, this funding goes beyond simply fulfilling legislative requirements. This is a pivotal time for us to sustain and build upon the critical relationship and responsibilities shared between EPA and the states."

The organizations' letter addresses Administrator Pruitt saying, "[W]e appreciate the fact that you have made cooperative federalism a point of emphasis when discussing EPA priorities for the new Administration. Indeed, your remarks to EPA during your first day as Administrator reinforced in us your belief in the importance of the co-regulator relationship between EPA and states, ...working together with states as partners rather than adversaries. An important aspect of the state-federal relationship is supporting states in their role as the main implementer of the CWA and SDWA. A critical aspect of this support is providing necessary and adequate funding through federal grant programs to allow states to carry out those programs, utilize their local expertise and promote innovative

approaches to regulation.... [S]tates currently provide, on average, over half and sometimes as much as three quarters of core funding for their own environmental programs, and rely of federal funds to fill in remaining funding gaps."

The letter adds, "Should the FY2018 EPA budget make drastic cuts to STAG categorical grants and other crucial state funding sources such as State Revolving Funds (SRFs), states will be severely limited in their ability to implement core water protection programs as required by the CWA and the SDWA...." It continues, also saying that it would limit states' ability to "...provide critically-needed infrastructure financing and technical assistance to struggling communities to ensure clean and available drinking water. Indeed, some states may be forced to relinquish certain programs back into the hands of EPA, which will only decrease customer service and increase permit backlogs that will stall the expansion of America's economy."

It concludes, "We look forward to continuing discussions about CWA and SDWA program funding and the co-regulator relationship between states and EPA." It was signed by ACWA Executive Director Julia Anastasia, ASDWA Executive Director Alan Roberson, and GWPC Executive Director Mike Paque.

Environmental Council of States

On March 15, the Environmental Council of States (ECOS) released a Green Report focused on changes and trends in state environmental agency budget (EAB) data. State environmental agencies operate the majority of federally delegated and authorized programs and manage funds to implement related environmental regulations.

In July 2016, ECOS sought information from the 50 states, the District of Columbia, and Puerto Rico (receiving 48 responses) for fiscal years FY2013, FY2014 and FY2015. Louisiana, New Jersey, New Mexico and North Carolina did not report.

The budget data shows changes to sources of money including state general funds, federal funding, and fees or other sources. Overall, from FY2013 to FY2015, 47 state

EABs rose 7% on average for a sum total of \$674M. The California Environmental Protection Agency's (CalEPA) budget is significantly larger than other states and grew substantially. With CalEPA included, the total for the 48 reporting state EABs rose 23% or \$2.75B. The average state EAB without CalEPA is \$203M, and the median is \$122M with or without CalEPA.

Looking at individual funding sources, state EAB general fund support increased 35% without CalEPA or \$335M. With CalEPA included, general fund support totals increased 53%. Over three years, general fund support comprises on average 12% of state EAB support without CalEPA. Overall, state general fund support is the smallest of the three major funding sources considered in this report.

Federal government funding support to state EAB totals decreased 3% without CalEPA included, dropping \$64M over the two budget periods. (With CalEPA, it increased from \$2.75B to \$2.87B in FY2013-2014 and decreased from \$2.87B to \$2.83B). Federal funds make up on average 27% of state EABs without CalEPA over three years.

Fees and other fund support totals rose 10%, or \$403M, from \$5.8 in FY2013 to \$6.2B in FY2015 or 7% without CalEPA. (With CalEPA included, funding from the fees and other category experienced a much larger increase of 25%, increasing from \$8.4B to \$10.6B). Overall, fees and other sources are the largest major funding source for state EABs comprising on average 62% of state EABs without CalEPA from FY2013-FY2015.

ECOS included only State Revolving Funds (SRFs) for drinking water (DW) and clean water (CW) in the analysis, if states reported that they included them in their total budget calculation. In past reports, ECOS factored in SRF money using available U.S. Environmental Protection Agency (EPA) appropriation data for states not including it in their overall budgets. However, state reported budget numbers alone may be a more accurate reflection of assets available to and managed by the state environmental agency. The management of drinking water and clean water infrastructure funds and the agency responsible for doing so varies from state to state. Twenty-three states "included" both CW and DW SRF in their overall budget totals. Six states "included" either CW SRF or DW SRF in their budget, but not both. Nineteen states did not include SRF funds in their overall EABs, with the exception that some may have included allowable SRF set-aside funds.

The ECOS Green Report may be found online at ecos.org and individual state responses are found in Appendix 4. The reported budget information presented may not represent a state's entire environmental

portfolio and may represent only a portion of a state's total environmental spending.

PEOPLE

On March 21, the Oklahoma Water Resources Board voted unanimously to name **Julie Cunningham** as the agency's next executive director. Julie had been serving as the interim executive director since October 2016 when WSWC Secretary/Treasurer **J.D. Strong** left to lead the Oklahoma Department of Wildlife Conservation. "I applaud the Oklahoma Water Resources Board's decision to name Julie Cunningham as executive director of the agency," said Governor Mary Fallin. "As we celebrate Water Day in Oklahoma and the 60th anniversary of the Water Resources Board, I know that the agency is in good hands. Julie is prepared to continue leading the implementation of the Oklahoma Comprehensive Water Plan to improve access to water across our state. She brings great insight from working within every division of the agency during her 22-year career with the board." We congratulate Julie on her appointment and look forward to working with her.

WSWC Member **Walt Baker** has announced his retirement as Director of the Division of Water Quality and Executive Secretary of the Utah Water Quality Board effective June 1, positions he has held since May 2004. He was appointed to the Council in June 2004 and served as Chair of the Water Quality Committee from 2009-2011. He has served as President of the Water Environment Association of Utah and the national Association of Clean Water Administrators, and served on the Utah Conservation Commission and the Utah Lake Commission. We congratulate Walt on his retirement and express our sincere appreciation for his dedicated service.

MEETINGS

On May 17-19, the Western States Water Council and the California Department of Water Resources are cosponsoring another workshop, in a series on Improving Long-Range Weather Forecasts and Sub-seasonal to Seasonal Precipitation Forecasting, in order to support water management decisionmaking. The agenda includes lessons learned from recent years' seasonal outlooks, updates on scientific research on sources of skill and predictability, and programmatic efforts to improve forecasting. Increasing forecast skill will require a sustained investment over time, prioritizing the federal resources necessary to make progress, and a specific focus on the West. The workshop will be held at the Doubletree San Diego Downtown.

For further information, including how to register, please see: <http://www.westernstateswater.org/improving-long-range-weather-forecasts-sub-seasonal-to-seasonal-precipitation-forecasting/>.

The WESTERN STATES WATER COUNCIL is an organization of representatives appointed by the Governors of Alaska, Arizona, California, Colorado, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, and Wyoming.