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Adam Krantz

March 3, 2026

The Honorable Lee Zeldin
Administrator
U.S. Environmental Protection Agency
Washington, D.C.

Dear Administrator Zeldin,

The National Association of Clean Water Agencies (NACWA) represents more than 360 public wastewater and stormwater agencies across the country. On behalf of these public clean water utilities, we thank you for your leadership and, as the Administration develops its Fiscal Year (FY) 2027 budget request to Congress, we respectfully urge that clean water remain a central priority for continued investment by the U.S. Environmental Protection Agency (EPA). NACWA respectfully requests robust funding for several programs outlined below that will ensure the sustainability and functionality of our nation's vital wastewater and stormwater systems.

Our nation's water infrastructure is at a critical juncture. This has been made clear by the recent sewage spill in the Potomac River and the herculean efforts taken to contain it and repair the damaged infrastructure. This is just one example of the challenges communities face, including rising costs to maintain and modernize aging infrastructure and meet Clean Water Act compliance obligations while also confronting new and evolving demands—including emerging contaminants, increasingly complex water quality requirements, system resilience, cybersecurity threats, climate impacts, and the need to ensure affordable service for Americans nationwide.

NACWA values its close and ongoing partnership with EPA—particularly the Office of Water—to help advance practical, cost-effective solutions that improve water quality while working to keep wastewater and stormwater services affordable for the American public. Through sustained engagement, NACWA and its member utilities have collaborated with EPA to identify opportunities to reduce unnecessary regulatory and compliance costs, promote flexibility where appropriate, and ensure that limited public resources are used as efficiently as possible.

Even as utilities continue to make progress in protecting public health and the environment, the long-term need for clean water infrastructure investment remains substantial. Wastewater and stormwater systems face mounting challenges that cannot be addressed without continued federal partnership. Clean water programs also continue to lag behind other infrastructure sectors in terms of sustained federal support.

As the Administration develops and advances EPA's Fiscal Year 2027 budget proposal, NACWA continues to strongly support robust funding for the

programs outlined below, which are essential to helping communities manage costs for ratepayers while continuing to deliver measurable improvements in water quality, public health protection, and system reliability nationwide.

Clean Water State Revolving Fund (CWSRF)

The Clean Water State Revolving Fund remains the primary federal financing tool supporting compliance with the Clean Water Act and critical wastewater and stormwater infrastructure investments.

For FY 2027, NACWA strongly supports funding the CWSRF at its most recent authorized level of \$3.25 billion in annual appropriations. NACWA also supports dedicated funding for EPA to complete an updated Clean Water Infrastructure Needs Survey to provide policymakers with an accurate assessment of national clean water needs and the remaining funding gap.

Water Infrastructure Finance and Innovation Act (WIFIA)

The WIFIA program continues to be an important complement to the SRFs by leveraging limited federal dollars to accelerate large-scale water infrastructure investments. NACWA supports funding WIFIA at \$75 million, as well as \$5 million for the State WIFIA (SWIFIA) program. SWIFIA provides state financing authorities greater flexibility to bundle projects and expand WIFIA participation among smaller and resource-constrained communities.

Clean Water State Revolving Funds Emerging Contaminants Program

NACWA applauded the Infrastructure Investment and Jobs Act's (IIJA) investment of \$1 billion targeted to helping clean water agencies address emerging contaminants such as PFAS entering their systems, and supports continued funding for an Emerging Contaminants program in FY 2027. Clean water utilities remain deeply concerned about PFAS entering their systems from upstream sources, the impacts on treatment processes and biosolids, and the potential financial burden on ratepayers.

NACWA encourages EPA to continue prioritizing Emerging Contaminants funding to help communities identify and address key sources of contamination and implement new technologies and treatment approaches to ensure public health and the environment are protected.

Sewer Overflow and Stormwater Reuse Municipal Grants (OSG)

Addressing combined and sanitary sewer overflows, modernizing stormwater systems, and expanding water reuse present some of the most significant opportunities—and cost burdens—for improving water quality. These challenges are particularly acute for communities operating under consent decrees, managing aging infrastructure, or facing extreme storms or water scarcity.

NACWA strongly supports full funding of the Sewer Overflow and Stormwater Reuse Municipal Grants program at its most recent authorized level of \$280 million in FY 2027. This program remains one of the few sources of direct grant assistance available to help communities undertake these critical investments.

Infrastructure Resiliency and Sustainability Programs

From extreme weather events to cybersecurity attacks, wastewater and stormwater utilities are facing escalated threats with no end in sight. These three programs (the Clean Water, Drinking Water, and Midsize and Large Drinking Water Infrastructure Resiliency and Sustainability programs) collectively help water systems of all sizes make critical investments in resiliency and security. A ransomware attack, a hurricane, a drought, and other similar threats pose the risk of disrupting essential water services and the cost of adapting to these threats is expected to be significant.

NACWA strongly supports funding these programs at a level of at least \$50 million for each program in FY 2027. These programs support communities across the country in building resiliency into their infrastructure today so we can ensure uninterrupted water service for decades to come.

Geographic and Watershed Programs

NACWA supports robust FY 2027 funding for EPA's Geographic Programs, including the Great Lakes Restoration Initiative, Chesapeake Bay Program, Long Island Sound, and other watershed-based efforts. We also support strong funding for Section 319 Nonpoint Source grants and EPA's National Priorities Water Research program, which advance holistic, science-driven solutions to persistent water quality challenges.

Water Workforce Infrastructure Grants Program

Public clean water utilities provide stable, family-sustaining careers while delivering essential services. Yet the sector faces a growing workforce challenge driven by retirements and competition for skilled labor. NACWA supports funding the Water Workforce Infrastructure Grants Program at its most recent authorized level of \$5 million in FY 2027 to support innovative training partnerships and workforce development initiatives led by public clean water and drinking water utilities in partnership with educational and training institutions.

Alternative Water Source Projects

As water demands across the country continue to grow, it is more important than ever for careful management of clean water resources and innovative ways to meet residential and industrial needs.

NACWA supports funding the Alternative Water Source Projects program at a minimum of \$25 million in FY 2027. Receiving appropriations for the first time in FY26, the program can help communities and businesses meet critical water supply needs through innovative water reuse and recycling programs.

Integrated Planning

NACWA strongly supported Congress's bipartisan enactment of the Water Infrastructure Improvement Act during the first Trump Administration, which codified EPA's Integrated Planning framework and provided communities with needed flexibility to prioritize investments, manage costs, and achieve water quality improvements.

EPA's Report to Congress on Integrated Planning, released in 2020, demonstrated the value of these approaches, including significant cost savings and improved alignment with local environmental priorities.

NACWA encourages continued dedicated funding of at least \$2 million in FY 2027 to support EPA's integrated planning activities, technical assistance to states, and community-level implementation.

Water Affordability and Low-Income Water Assistance

NACWA strongly supports continued efforts by EPA to advance policies and initiatives that help address water affordability challenges facing households and communities across the country. Ensuring access to reliable, affordable clean water services is essential to protecting public health, while also allowing utilities to maintain the financial stability necessary to operate, maintain, and invest in critical infrastructure. Creating a permanent low-income water assistance program, similar to the temporary one that was instituted during the COVID-19 pandemic, remains a top advocacy priority for NACWA.

NACWA appreciates the steps Congress and EPA have taken to better understand national water affordability challenges, including authorizing a needs assessment and piloting targeted federal assistance approaches. As EPA develops its FY 2027 budget, NACWA encourages the Agency to continue advancing this work and to seek appropriate resources to support affordability-focused initiatives, technical assistance, and data-driven policy development. NACWA looks forward to continuing to work closely with EPA and water sector partners to identify practical, efficient ways federal support can help alleviate water affordability concerns for customers while supporting sustainable utility operations.

NACWA is committed to continuing its close partnership with EPA to protect public health and the environment. We believe the funding priorities outlined above will help ensure continued progress toward clean, safe, and affordable water services for communities nationwide, and we welcome the opportunity to discuss these recommendations further. If you would like to discuss further, please contact Kristina Surfus, Managing Director, Government Affairs at ksurfus@nacwa.org or 202-833-4655.

Sincerely,



Adam Krantz
CEO
NACWA

Cc: Russell Vought, Director of the Office of Management and Budget
David Fotouhi, Deputy Administrator, U.S. EPA
Jessica Kramer, Assistant Administrator for Water, U.S. EPA
Michael Abboud, Associate Administrator of the Office of Public Engagement, U.S. EPA
Jamie Piziali, Office of the Municipal Ombudsman, U.S. EPA