RECOMMENDATIONS TO IMPROVE THE STORMWATER PROGRAM IN THE U.S. 2024



Recommendations to Improve the Stormwater Program in the United States

This fact sheet outlines the federal assistance local communities and utilities require to protect surface water resources in the U.S. and ensure public safety. Addressing long-term issues of funding, providing effective pollution control tools, environmental data to make good decisions and a coordinated effort on pollution source control are reasonable, practical, and beneficial for Congress and the Executive Branch to support.

1. Advance Stormwater Provisions in the Infrastructure Investment and Jobs Act (IIJA)

<u>Request:</u> In the Fiscal Year 2025 Budget, fully fund the recently authorized stormwater programs for the construction, rehabilitation, and advancement of stormwater infrastructure and technologies.

The Infrastructure Investment and Jobs Act (IIJA) included the establishment of new programs for stormwater infrastructure and innovative technologies. This is the federal government's most significant commitment yet to assist communities nationwide with stormwater management challenges. The authorization of these new programs now necessitates Congress to provide appropriations.

Specifically, Congress should include the following in the Fiscal Year 2025 Budget:

- \$5 million for the Centers of Excellence for Stormwater Control Infrastructure Technologies (CESCIT). (IIJA Sect. 50217(b))
 - O A Request for Applications (RFA) with \$3 million from FY23 is being awarded by EPA in 2024.
- \$10 million for community planning and implementation grants for stormwater or watershed-based planning investments. (IIJA Sect. 50217(c))
- \$25 million for the Clean Water Infrastructure Resiliency and Sustainability Program. (IIJA Sect. 50205)

- \$25 million for the Alternative Source Water Pilot program, including stormwater capture. (IIJA Sect. 50203)
- \$10 million for the Small & Medium Publicly Owned Treatment Works (POTW) Circuit Riders Technical Assistance, including stormwater management. (IIJA Sect. 50206)

Existing federal water infrastructure programs are also an importat source of stormwater project funding for communities, albeit stormwater projects remain significantly underfunded by those programs. Congress should include in the Fiscal Year 2025 budget:

- \$3.25 billion for the Clean Water State Revolving Fund, as it is authorized to receive in FY24. (IIJA Sec. 50210)
- \$280 million for Sewer Overflow and Stormwater Reuse Municipal Grants (OSG) program. (IIJA Sect. 50204)

O FY23 provided \$50 million of the authorized \$280 million.

- \$50 million for WIFIA. (IIJA Sect. 50215)
 - FY23 provided \$68 million.



Stormwater is the largest contributor of water quality pollution to urban waterways in the U.S.



2. Support Stormwater Infrastructure Funding Tools

<u>Request:</u> Develop new and improve existing funding programs to drive nationwide stormwater infrastructure investment.

The 2018, 2020, and 2022 Water Environment Federation MS4 Needs Assessment Survey Results identified funding as the priority for stormwater programs nationwide. For instance, only approximately 25% of regulated stormwater communities have a dedicated revenue source (i.e., stormwater utility), and only 1.8% of Clean Water State Revolving Fund (SRF) loans have gone to stormwater infrastructure investments over the 30-year durationof the Clean Water SRF program. These facts underpin the urgency for recommended actions Congress should consider, described below.

Establish a Pilot Stormwater Construction Grant Program (SCGP) to transition into a Stormwater State Revolving Fund (SSRF) program.

The concept of an SCGP regional pilot is based on the history of funding assistance that helped kick-start the level of investment in the drinking water and wastewater sectors. Initial funding would be primarily grant-based, with a transition to loan-based assistance over the time (15-20 years) needed for this transition <section-header><figure>

to occur. Roughly \$9B annually over 20 years would be needed to bring parity in funding between the wastewater and stormwater sectors.

Adjust the recently established Overflow and Stormwater Grants (OSG) program state allocation formula.

The current state allocation formula for the OSG program relies most significantly on needs identified in the Clean Watershed Needs Survey (CWNS) administered by EPA and other factors such as local annual average precipitation, total population, and urban area population. This approach creates a disparity between relatively high rainfall states with high Combined Sewer Overflows (CSOs) and arid states with no/few CSOs (states with combined sewers tend to be located east of the Mississippi River). Congress should increase funding for the OSG program and direct the EPA to revisit and update the allocation formula for a more equitable distribution of funds across the states and historically underserved areas.

3. Federal Support for Increased Community Resilience Planning and Implementation

<u>Request:</u> Create a grant program to provide funding and technical assistance to communities for community resilience planning and implementation. Recognize that many stormwater control measures provide water quality and quantity management and support investments in multi-beneficial stormwater infrastructure practices.

In the past, stormwater infrastructure was designed to meet either water quality improvement or flood reduction. In most cases, these designs were mutually exclusive, which has not resulted in resilient community stormwater systems. With the increase in the intensity and amount of rainfall, these stormwater systems are failing at an alarming rate, increasing the risk to downstream infrastructure such as streets, railroads, and wastewater.

There is an urgency to act, but there is a lack of response from communities to address the anticipated impacts of more intense rainfall that is creating more flood events. The 2022 WEF MS4 Survey found that over 90% of MS4 communities have done little or no planning to increase the resilience of their communities or storm sewer systems in the face of anticipated changes in rainfall. The main impediment



Federal funding averages about \$250 million annually, which leaves a growing annual funding gap of \$8 billion. to these communities' lack of resilience planning was limited funding, and the second most significant barrier was cited as a lack of data and information to do such planning.

Flooding is the most costly and dangerous natural disaster threat in the U.S. Costs associated with property damage, cleanup costs, and disrupted economic activities have been rising due to increased rainfall amount and intensity. These impacts are expected to increase in the majority of the country. These growing impacts are expected to be so potentially damaging that some communities are now facing the risk of reduced credit rating due to a lack of resilience planning.

Communities can prepare themselves for changes in rainfall patterns by updating their design standards and criteria, performing resilience and vulnerability assessments of existing infrastructure, and looking for cost-effective ways to accommodate significant flooding in the future while balancing with environmental, social, and equity aspects. To do this, communities need better rainfall data that is appropriate to use at a local level and technical guidance on how this data can be utilized for resilience planning. Even more critical is the need for targeted funding for communities to invest in the studies and analysis needed for stormwater resilience planning. Beyond the planning phase, communities will need support for capital investments.

We urge Congress to provide the leadership through Federal agencies to develop stormwater resiliency planning guidance, improve access to related data, and target funding to assist communities in increasing the sustainability of stormwater systems. An early action item would be for Congress to establish a grant program to assist and incentivize municipalities to develop resilience plans and implementation investments.



More rainfall and more intense rainfall is impacting infrastructure causing communities to incur significant repair costs.



4. Support an Emerging Contaminants Program for Stormwater Pollution

<u>Request:</u> Congress should direct the EPA to establish a program to require chemical manufacturers to assess the potential for a chemical to be released into the environment and its potential as a pollutant in water. The current system only evaluates chemical safety at the point of use rather than as a future environmental contaminant.

One of the most significant rising issues relative to water in the U.S. and the world today is the problem of emerging contaminants. The American Chemical Society maintains a chemical registry that lists 204 million organic substances, alloys, coordination compound minerals, mixtures, polymers, and salts. A relatively recent article (2020) in Chemical and Engineering News estimates that more than 350,000 of the listed chemicals and chemical mixtures are in commercial production and use. Contrast this available universe of potential pollutants with the number of identified priority pollutants listed by the EPA (126), limits on contaminants for drinking water in the Safe Drinking Water Act (90), or the number of chemicals/compounds on the Toxic Pollutant List (65). The EPA estimates that over 40,000 single chemicals alone are being used in the US.

How we track and assess the impact of these chemicals on the nation's waters is not proactive. We generally do not look for new contaminants in the nation's surface waters. There are numerous barriers to identifying new contaminants: Lack of funding, lack of testing methodologies, and, often, a lack of standards if a chemical is found in measurable quantities in runoff. As a result, we discover previously unknown or 'emerging' contaminants at a relatively slow pace, often only after they have manifested themselves as a clear threat to the environment. Control of a pollutant in commercial use in the environment after the fact is not practical or economical.

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