



# WEF Government Affairs Updates Regulatory Actions from 2016

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## Presentation Overview

- National Perspective
- Congressional Agenda
- Regulatory Agenda
- Fly-In



## WEF Announces White House Water Commitments

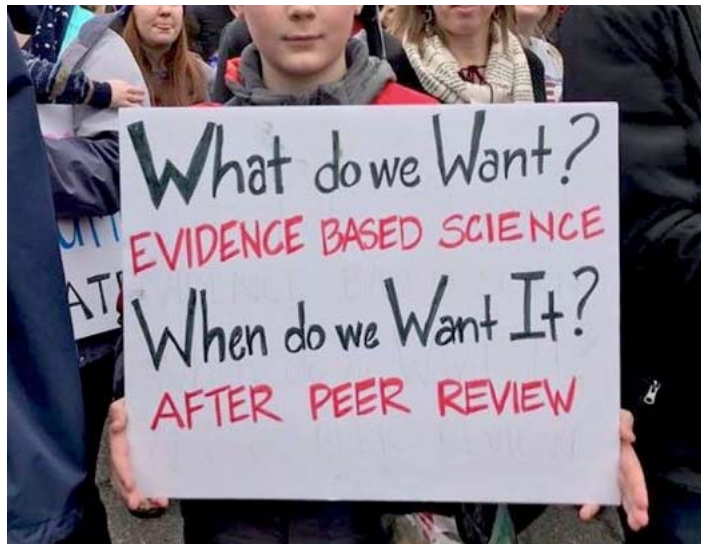
### Commitment 1

- National Green Infrastructure Certification Program (NGICP)
- DC Water, WEF, Milwaukee Metropolitan Sewerage District, and others

### Commitment 2

- The Leaders Innovation Forum for Technology (LIFT) Water Reuse Focus Area and Water Reuse Roadmap





## Congressional Agenda

- 115<sup>th</sup> Congress
- Committee Changes
- Legislative Issues

# 115<sup>th</sup> Congress

## House Leadership

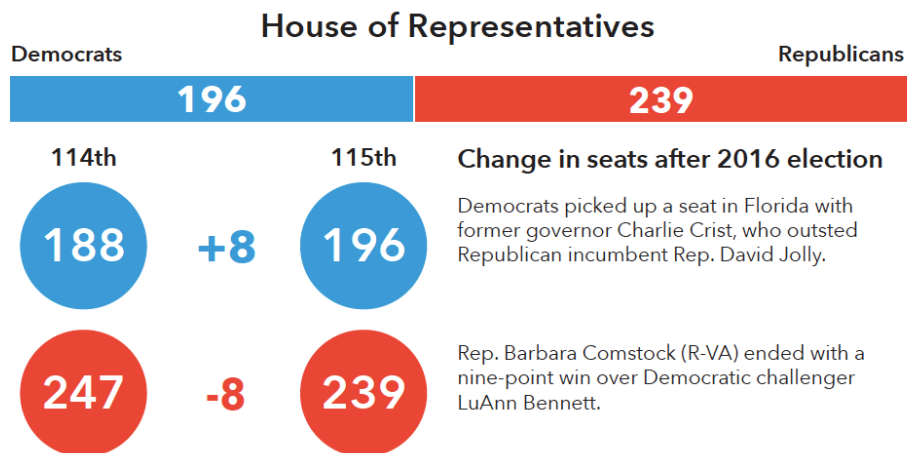
- Speaker Paul Ryan (R-WI)
- Minority Leader Nancy Pelosi (D-CA)

## Senate Leadership

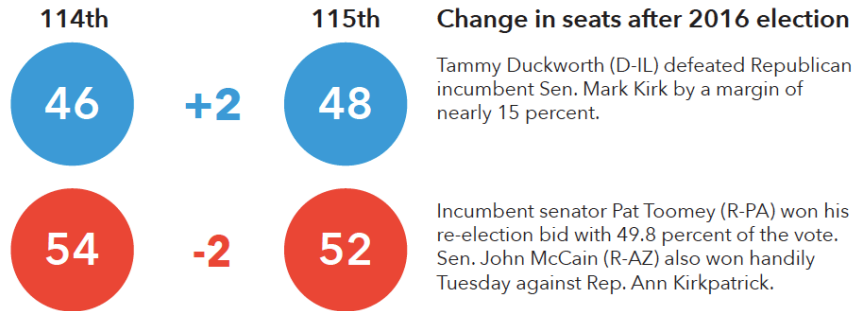
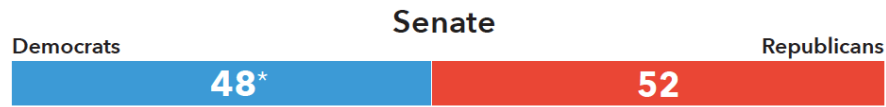
- Majority Leader Mitch McConnell (R-KY)
- Minority Leader Chuck Schumer (D-NY)



# 2016 Election Results - House



# 2016 Election Results - Senate



## HOUSE RACES RESULTS SUMMARY

### House Republican Freshmen


- ★ Jodey Arrington (Texas)
- ★ Don Bacon (Neb.)
- ★ Jim Banks (Ind.)
- ★ Jack Bergman (Mich.)
- ★ Andy Biggs (Ariz.)
- ★ Ted Budd (N.C.)
- ★ Liz Cheney (Wyo.)
- ★ James R. Comer (Ky.)
- ★ Neal Dunn (Fla.)
- ★ John J. Faso (N.Y.)
- ★ Drew Ferguson (Ga.)
- ★ Brian Fitzpatrick (Pa.)
- ★ Matt Gaetz (Fla.)
- ★ Tom A. Garrett, Jr. (Va.)
- ★ Trey Hollingsworth (Ind.)
- ★ David Kustoff (Tenn.)
- ★ Jason Lewis (Minn.)
- ★ Roger Marshall (Kan.)
- ★ Brian Mast (Fla.)
- ★ Paul Mitchell (Mich.)
- ★ Francis Rooney (Fla.)
- ★ John Rutherford (Fla.)
- ★ Lloyd K. Smucker (Pa.)
- ★ Scott W. Taylor (Va.)
- ★ Claudia Tenney (N.Y.)



## HOUSE RACES RESULTS SUMMARY

### House Democratic Freshmen


★ Nanette Diaz Barragan (Calif.)	★ Joshua S. Gottheimer (N.J.)	★ Jimmy Panetta (Calif.)
★ Anthony G. Brown (Md.)	★ Colleen W. Hanabusa (Hawaii)	★ Jamie Raskin (Md.)
★ Salud Carbajal (Calif.)	★ Ro Khanna (Calif.)	★ Lisa Blunt Rochester (Del.)
★ Lou Correa (Calif.)	★ Ruben Kihuen (Nev.)	★ Jacky Rosen (Nev.)
★ Charlie Crist (Fla.)	★ Raja Krishnamoorthi (Ill.)	★ Brad Schneider (Ill.)
★ Val Demings (Fla.)	★ Pramila Jayapal (Wash.)	★ Carol Shea-Porter (N.H.)
★ Adriano Espaillat (N.Y.)	★ Al Lawson (Fla.)	★ Darren Soto (Fla.)
★ Dwight Evans (Pa.)	★ A. Donald McEachin (Va.)	★ Thomas R. Suozzi (NY)
★ Mike Gallagher (Wis.)	★ Stephanie Murphy (Fla.)	
★ Vicente Gonzalez (Texas)	★ Tom O'Halleran (Ariz.)	



## SENATE RACES RESULTS SUMMARY

### Senate Freshmen Class

- ★ Tammy Duckworth (D-Ill.)
- ★ Kamala D. Harris (D-Calif.)
- ★ Chris Van Hollen (D-Md.)
- ★ Catherine Cortez Masto (D-Nev.)
- ★ Todd Young (R-Ind.)
- ★ Maggie Hassan (D-N.H.)



## Senate Environment & Public Works Committee

Chairman John Barrasso, Wyoming

Ranking Member Tom Carper, Delaware

### *Fisheries, Water & Wildlife Subcomm.*

- 114<sup>th</sup> Chairman Dan Sullivan (R-AK)
- 114<sup>th</sup> Ranking Member Sheldon Whitehouse (D-RI)



## Senate Approps. Committee

Chair Thad Cochran (R-MS)

Ranking Member Patrick Leahy (D-VT)

### Subcommittee on Interior & Environment

- 114<sup>th</sup> Chair Lisa Murkowski (R-AK)
- 115<sup>th</sup> Ranking Member Tom Udall (D-NM)



## House Transportation & Infrastructure Committee

Chairman Bill Shuster (R-PA)

Ranking Member Peter DeFazio (D-OR)

### *Water Resources Subcommittee*

- Chairman Garret Graves (R-LA)
- Ranking Member Grace Napolitano (D-CA)



## House Approps. Committee

Chair Rodney Frelinghuysen (R-NJ)

Ranking Member Nita Lowey (D-NY)

### *Subcommittee on Interior & Environment*

- Chair Ken Calvert (R-CA)
- Ranking Member Betty McCollum (D-MN)





## Legislative Issues

- Tax Reform
- Infrastructure Bills
- Other Bills

## Tax Reform

### Latest Predictions: ?

House GOP has a draft tax reform proposal. Some of the highlights include:

- consolidating the current seven tax brackets into three (rates of 12 percent, 25 percent and 33 percent),
- doubling the standard deduction,
- eliminating the personal exemption,
- eliminating all itemized deductions besides mortgage interest and charitable giving,
- eliminating the gift and estate taxes,
- eliminating the alternative minimum tax and reducing capital gains tax rates to essentially one half the rates on ordinary income.

# Infrastructure Bills

Trump's Words:

*We will build new roads, and highways, and bridges, and airports, and tunnels, and railways all across our wonderful nation.*

*We will get our people off of welfare and back to work - rebuilding our country with American hands and American labor.*

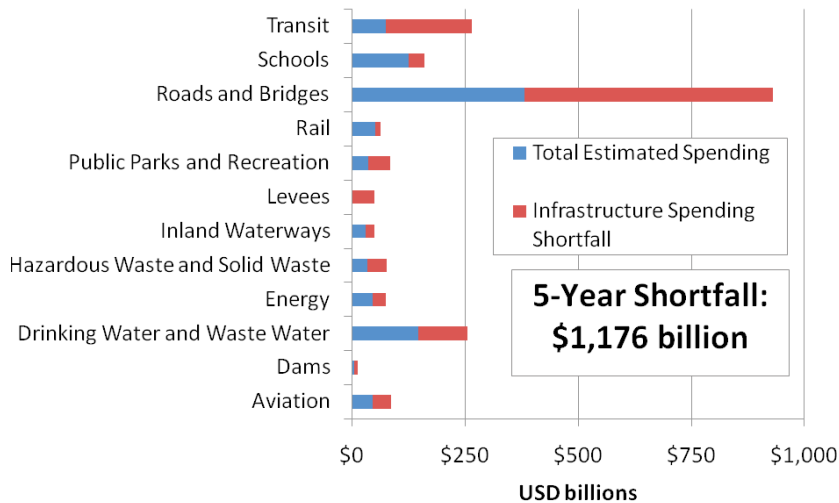
*We will follow two simple rules: Buy American and Hire American.*

-- Inaugural Address, 2017

- Trump's Estimations: \$500 billion - \$1 trillion



## 5-Year Shortfall in Infrastructure Spending



Source: American Society of Civil Engineers



## How to Pay For It?

Commerce Sec.-Nominee Wilbur Ross and U.C. Irvine business professor Peter Navarro - Ross-Navarro Plan:

*To stimulate \$1 trillion in expenditures over 10 years, the Trump administration will hand out \$137 billion worth of tax credits to private businesses. That federal tax credit would leverage a flood of private money, covering 82 percent of the equity needed for new projects.*



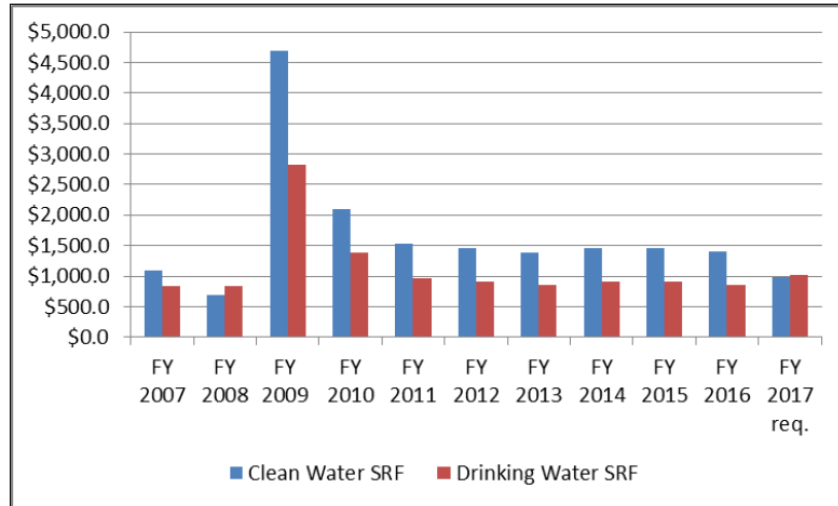
## How to Pay For It - cont.

Repatriation of Overseas Corporate Profits:

- The Joint Committee on Taxation estimates that there are about \$2.6 trillion in overseas undistributed nontaxed earnings as of 2015.
- A one time tax of 8.75 percent on repatriated earnings would raise roughly \$140 billion - \$185 billion over ten years according to multiple estimates.



## SRFs



## Report on Benefits of SRF Funding

### Federal Tax Revenues:

- ✓ Every dollar of SRF spending results in \$0.93 in federal tax revenue.

### Job Creation:

- ✓ 16.5 jobs are generated for each million dollars in SRF spending -- average salary of \$60k/yr.

### Economic Benefits:

- ✓ Every million dollars of SRF spending results in \$2.95 million dollars in output for the U.S. economy.

## Water Infrastructure Finance & Innovation Act (WIFIA)

### *Key Provisions*

- Programs administered by the US Army Corps of Engineers and US EPA to provide loans and loan guarantees for water infrastructure projects.
- Both programs will receive funding:
  - \$20 million in FY 2015
  - \$25 million in FY 2016
  - \$35 million in FY 2017
  - \$45 million in FY 2018
  - \$50 million in FY 2019Total: \$175 million/5 years for each program



### *Key Provisions - cont.*

- Minimum total project cost of \$20 million; or \$5 million for communities of 25,000 or less.
- WIFIA can finance up to 49% of total project
- Total federally-backed financing cannot exceed 80% of total project cost
- Allows for 25% of appropriated funding to use WIFIA to fund up to 80% of a project/projects
- Allows for state SRF programs to have a right-of-first-refusal



## WIFIA Notice of Funding Availability

- NOFA issued 1/10/17. Applications due 4/10/17
- <https://www.epa.gov/wifia>
- Two Step Application Process:
  - Letter of Interest
  - Full Application w/ fees



## Private Activity Bonds

- Private Activity Bond is a type of tax-exempt municipal bond that allows private participation and the use of capital markets for public-serving facilities.
- “Exempt facility” bonds, which can be issued for airports, docks and wharves, mass commuting facilities, solid waste facilities, etc.
- States allocate PABs to water and wastewater systems according to State guidelines and priorities.
- The legislation would cost \$354 million over 10 years (Jt. Comm. on Taxation) and will encourage \$50 billion in private capital investment for water/wastewater infrastructure (Stephen Johnson, EPA)



## Other Potential Funding Tools

- Trust Fund
  - Voluntary for consumer products w/ label for \$.03/unit
- Infrastructure Bank
  - \$10B Proposed by Democrats = \$100B/10 years
- Buy America Bonds
  - Obama Proposed \$71B/10 years @ 28% federal subsidy = budget neutral



## Regulatory Agenda

- Rulemaking & Criteria Development:
  - The Past
  - The Present
- Other Activities:
  - Nutrients Survey
  - Climate change Activities
  - Criteria Development
- EPA HQ Staffing Update



## Regulatory Agenda

- Rulemaking: The Past
  - Clean Water Rule (a.k.a.WOTUS) - “Final”  
June 29, 2015; Stayed
  - ELG: Dental Amalgam - Signed December 15, 2016; Awaiting FR publication
  - Methods Update Rule - Signed December 15, 2016; Awaiting FR Publication
  - NPDES Updates Rule - Expected Final Summer 2017
  - ELG: Shale Gas - Final June 28, 2016; certain compliance dates extended



## Regulatory Agenda

- Rulemaking: The Past
  - Aquatic Life AWQ Criterion for Selenium in Freshwater: Final July 13, 2016
  - MS4 Remand Rule - Signed November 17; Final December 19, 2016
  - Stormwater Discharges from Construction Activities - Into effect February 16, 2017
  - CSO Notification - Great Lakes: Proposal signed December 16, 2016; Published in the FR January 13, 2017.





## Regulatory Agenda

White House Chief of Staff, Reince Priebus, Memorandum, January 20, 2017:

- 1) Regulations sent for publication in the FR: “Immediate withdraw” - until a Trump-appointed agency head has reviewed and approved;
- 2) Rules and Permits Already Published: “temporary postponement of their effective date for 60 days from the date of this memorandum.” (making it March 21, 2017);
- 3) Exceptions: the memorandum allows exceptions for emergency cases for rules that address “health, safety, financial, or national security matters.”

For more information: <https://www.whitehouse.gov/briefing-room/presidential-actions>



## Regulatory Agenda

- Today, EPA made available a pre-publication version of the Federal Register (expected to be published on January 26, 2017) announcing the delay of effective dates of 30 regulations - see the handouts portion of this webinar for a copy or go to:

<https://s3.amazonaws.com/public-inspection.federalregister.gov/2017-01822.pdf>



## Regulatory Agenda

- Rulemaking: The Future
  - Clean Water Rule (a.k.a. WOTUS) - **Uncertain**
  - ELG: Dental Amalgam - **withdrawn for review**
  - Methods Update Rule - **withdrawn for review**
  - NPDES Updates Rule - **no impact**
  - ELG: Shale Gas - **no impact**
  - Aquatic Life AWQ Criterion for Selenium in Freshwater: **no impact**
  - MS4 Remand Rule - **no impact**
  - Stormwater Discharges from Construction Activities - **likely no impact**
  - CSO Notification - Great Lakes: **Comments due March 14, 2017**  
<https://www.epa.gov/npdes/combined-sewer-overflows-public-notification-requirements-great-lakes>



## Regulatory Agenda

### Other EPA Activities:

- **Nutrients Survey:** WEF working with EPA
  - No longer be conducted using Section 308 Letters
  - EPA coordinating with the States
  - Addressing public comments to improve questions
- **Climate Change Activities:** Uncertain
- **Bacteriophage Criteria Development:** reviewing information from experts workshops and working on peer review papers



## Regulatory Agenda

### EPA Office of Water HQ Staffing Update:

#### Administrator's Office:

Acting Administrator: Catherine McCabe

Acting Deputy Administrator: Mike Flynn

#### Office of Water:

Acting Assistant Administrator for Water: Mike Shapiro

Acting Principal Deputy Assistant Administrator for  
Water: Benita Best-Wong



## EPA Headquarters Staffing Update

- Donna Vizian, Office of Administration and Resource Management
- Sarah Dunham, Office of Air and Radiation
- Wendy Cleland-Hamnet, Office of Chemical Safety and Pollution Prevention
- Larry Starfield, Office of Enforcement and Compliance Assurance
- Jane Nishida, Office of International and Tribal Affairs
- Barry Breen, Office of Land and Emergency Management
- Robert Kavlock, Office of Research and Development



# Water Week 2017



[www.WaterWeek.us/NWPF](http://www.WaterWeek.us/NWPF)



## Key Events: March 21-22

- **NATIONAL WATER POLICY FLY-IN & EXPO**

Come together to advocate for national policies that advance clean, safe and affordable water and show your unabashed support of your community and a healthy sustainable environment.

March 21-22, in Washington, DC

- **RALLY FOR WATER**

Join us to Elevate Clean Water as a Top National Priority!

Wednesday, March 22, 2017 @ the US Capitol

- **CONGRESSIONAL EXPO**

This Expo will provide an excellent opportunity for policymakers to speak with experts and learn about the latest technology solutions to America's most pressing water challenges.



## Collaborating Organizations

Water Week is made possible by the following organizations:

WEF	NACWA	WE&RF
WRF	AWWA	WATEREUSE
USWA	WWEMA	AMWA



## Water Advocates Program

- New Website:
  - [www.wef.org/wateradvocates](http://www.wef.org/wateradvocates)
- New Toolkit *(posted on new website)*
  - Tips and Guidance on how to be an effective advocate
- Joining the Program is easy
  - [wateradvocates@wef.org](mailto:wateradvocates@wef.org)
  - [wef.org/wateradvocates/](http://wef.org/wateradvocates/)
  - <http://cgrcengage.com/wef/wateradvocates>



Questions or Additional Info:

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