



## The Business Case for EPA Action on Clean Water

**The Environmental Protection Agency (EPA) protects and helps supply clean water for the nation. Proposed budget cuts would cripple EPA's ability to conserve and protect our priceless water resource and would result in risk to human health and American businesses.**

A robust economy depends on plentiful, clean water. The United States uses approximately 400 billion gallons of water each day. Yet, our access to clean water is threatened by contaminants, deteriorating water-system infrastructure, climate change and extreme weather events, and other dangers. The EPA ensures America's access to clean water through the Clean Water Act, the Safe Drinking Water Act, and other laws. The EPA also funds conservation programs and research and makes grants to the states to protect drinking water and reduce contaminated runoff. Without adequate funding for the EPA, the federal government is shirking its duty to protect clean water for all Americans and is abandoning this crucial task to the states.



### Costs and Benefits to the Economy

EPA's efforts under the Clean Water Act (CWA) currently provide an estimated \$11 billion in annual benefits to the United States. In addition to the need for clean drinking water, businesses of all kinds rely heavily on EPA's protection of ample, clean water supplies. Agricultural operations contributed \$136.7 billion to the economy in 2016, but these operations required nearly 40% of all fresh water withdrawals. Recreation and tourism rely heavily on unpolluted water in our natural environment. In 2011, approximately 90.1 million Americans fished, hunted, or watched wildlife; spending over \$145 billion and creating millions of jobs in outdoor recreation-related businesses. U.S. manufacturing also relies on ample clean water. In 2014, exports of semiconductors alone were worth over \$40 billion, behind only aircraft and automobiles. Creating an integrated circuit requires a total of approximately 2200 gallons of clean water. And in the textile industry, a single mill can use 200 tons of fresh water per ton of dyed fabric.

U.S. water supplies and systems are less reliable due to deterioration. U.S. drinking water infrastructure consistently gets "D" grades for overall quality—and numerous organizations estimate \$1 trillion in infrastructure investments are needed. The Army Corps of Engineers projects that our water infrastructure's continued degradation will cost American businesses \$147 billion in higher water bills, 700,000 jobs lost from the resulting squeeze on company budgets, and \$416 billion in lost GDP due to increased costs and loss of worker productivity — *all by the year 2020.*

## Business Views on Access to Clean Water

Many businesses across the economic spectrum see the value of protecting America’s clean water supply. ASBC polling of small business owners has found that:

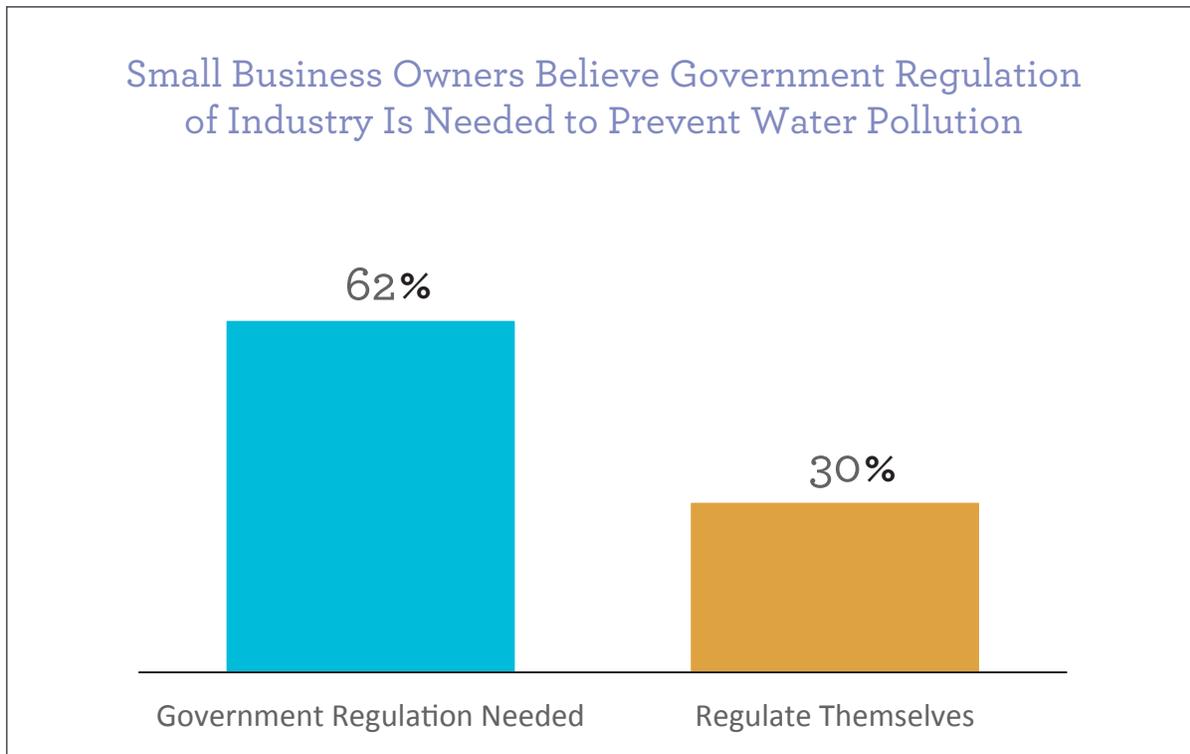
- 67% of small business owners are concerned that water pollution could hurt their business operations.
- More than 70% of small business owners — including majorities of self-identified Republicans, Democrats, and Independents — believe clean water protections help spur economic growth, compared to only six percent who believe they are too burdensome.

A majority of business leaders understand that smart, science-based regulations and enforcement ensure clean water access they can depend on. Large corporations, like Coca Cola, General Mills, Levi Strauss, and others, have committed to conserving water and,

often, protecting water quality in the communities where they operate. Numerous businesses consider access to clean water as an essential component of deciding where to expand — and these decisions have real consequences for local economies. For example, New Belgium Brewing’s new facility in North Carolina will create over 154 new jobs, at a wage that will exceed the county’s average by 43%. Access to clean water was a deciding factor about where to locate.

Some business leaders have also found clean water regulations spur innovation and economic gain. When Stonyfield Farm was facing new waste water regulations, it installed a system to “digest” the solids in its wastewater into methane gas, which the company now uses to help power its factory. Complying with clean water regulations turned the expense of wastewater treatment into a savings.

### Small Business Owners Favor Regulations to Protect Clean Water



Source: American Sustainable Business Council survey, July, 2014

## What's at Stake

The Trump Administration's proposed 2018 budget includes catastrophic cuts to EPA services, impacting the American public, our businesses, and our economy. Cuts include:

### **Grants: Geographic Programs – ELIMINATED**

This cut includes 9 geographic programs, for example:

#### **Great Lakes Restoration Initiative – ELIMINATED**

These grants are used to revive wetland habitats, clean up toxic pollution, prevent runoff from farms and cities and combat invasive species in and around the Great Lakes, which provide approximately 40 million people with their drinking water.

#### **Chesapeake Bay Initiative – ELIMINATED**

These grants are used to reduce the levels of nutrient pollution and sediment, restore habitats and living resources, and increase stewardship of the watershed. Restoration of this region is expected to add \$22.5 billion to the economy each year.

### **Grants: Water Quality Research & Support Grants – ELIMINATED**

These funds support the scientific research and development of sustainable solutions to 21st-century water resource problems, ultimately ensuring water

quality and availability needed to protect human and ecosystem health, the economy, and societal stability. Grants are used to develop and apply water quality criteria, implement watershed management approaches, and apply new technology to protect water bodies.

### **Grants: Nonpoint Source (Sec. 319) – ELIMINATED**

This program provides grants to help states, territories, and tribes implement approved elements of nonpoint source pollution remediation programs. Funded efforts include technical assistance, education, demonstration projects, and monitoring related to nonpoint source implementation projects. These grants help states deal with pollutants from sources that are not directly regulated under the CWA.

### **Research: Safe and Sustainable Water Resources – cut by 36%**

EPA's Safe and Sustainable Water Resources program provides the scientific research and innovative technologies the U.S. needs to maintain drinking water resources and systems, as well as to protect the integrity of the nation's waters.



## What's at Stake, cont'd

### **Grants: Public Water System Supervision (PWSS) – cut by 30%**

These grants help eligible states, territories, and tribes develop and implement Public Water System Supervision programs adequate to enforce the requirements of the Safe Drinking Water Act and ensure that water systems comply with the National Primary Drinking Water Regulations.

### **EPA Enforcement – overall cut of 19% (including clean water-related enforcement)**

Respect for the rule of law requires that regulations, once enacted, must be enforced. Severe reductions in EPA professional staff levels by approximately 280 people directly undermine legislators' intent and imperil Americans. Note that civil enforcement efforts alone achieve valuable results: in 2016, the EPA achieved commitments by companies to treat, minimize, or properly dispose of 62 billion pounds of hazardous waste; to reduce pollution by 324 million pounds; and to invest an estimated \$13.7 billion in procedures and equipment to control pollution.

### **Human Health Protection: Drinking Water Programs – cut by 17%**

EPA's Drinking Water Program utilizes a source-to-tap approach to protecting public health from contaminants in drinking water. This program protects public health through source water assessment and protection; new and updated drinking water regulations; training, technical assistance, and financial assistance to enhance public water system capacity to comply with existing and new regulations; and resources and tools to states and tribes to finance water infrastructure improvements.

### **Surface Water Protection Program – cut by 12%**

The Surface Water Protection Program directly supports efforts to protect, improve, and restore the quality of our nation's rivers, lakes, and streams. The EPA works with states and tribes to make continued progress toward clean water goals.



## Bottom Line

Clean water is essential to American business and our economy. It is more urgent than ever to have the EPA fully funded and fully functioning. The urgency of this nationwide need should be supported by Congress in the 2018 budget. In the words of one American business owner, Jim Osgood of Klean Kanteen: