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**BEFORE THE
SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
UNITED STATES HOUSE OF REPRESENTATIVES**

March 18, 2015

Good morning, Chairman Gibbs, Ranking Member Napolitano, and members of the Subcommittee. I am Ken Kopocis, Deputy Assistant Administrator for the Office of Water at the U.S. Environmental Protection Agency (EPA). Thank you for the opportunity to speak about the President's Fiscal Year 2016 budget request for the EPA's National Water Program.

The President's request reflects the EPA's longstanding efforts to protect the nation's water both at the tap and in the environment, and identify new approaches and partnerships to make and sustain improvements in public health and the environment. The requested level of \$3.7 billion allows the National Water Program to continue to support communities, improve infrastructure, drive innovation, spur technology, increase sustainability, and strengthen partnerships with states, tribes, and local governments.

One of the EPA's highest priorities is supporting communities in meeting their clean water and drinking water goals. A significant way we do this is through the EPA's Clean Water and Drinking Water State Revolving Funds, or SRFs. These funds provide critical funding to states to improve wastewater and drinking water infrastructure and reduce water pollution and public health threats. The President's FY 2016 budget requests a total of \$2.3 billion for the SRFs, \$1.116 billion for the Clean Water SRF and \$1.186 billion for the Drinking Water SRF.

Additionally, in FY 2016, the agency's budget includes \$50 million in technical assistance, training, and

other efforts to enhance the capacity of communities and states to plan and finance drinking water and wastewater infrastructure improvements. The EPA will work with states and communities to promote innovative practices that advance water system and community resiliency and sustainability. These resources will build the technical, managerial, and financial capabilities of systems to promote a healthy and effective network of drinking water and wastewater infrastructure.

The Water Infrastructure Finance and Innovation Act of 2014 (WIFIA) authorizes an innovative financing mechanism for water-related infrastructure of national or regional significance and authorizes the EPA to provide federal credit assistance to eligible entities. WIFIA created a 5- year pilot program for water infrastructure investment to provide low-interest loans to eligible entities for large water and wastewater projects. In FY 2016, the agency's budget includes \$5 million to lay the groundwork for a WIFIA program. In addition to the existing State Revolving Fund programs, WIFIA would provide another source of capital to meet the United States' water infrastructure needs.

In January 2015, the agency launched a key component of the Administration's Build America Initiative: the Water Infrastructure and Resiliency Finance Center. Build America is a government-wide effort to increase infrastructure investment and promote economic growth by creating opportunities for state and local governments and the private sector to collaborate on infrastructure development. The center will help communities across the country plan for future public infrastructure investments and assist states in identifying financing opportunities for resilient drinking water, wastewater and stormwater infrastructure. The center will enhance our partnership and collaboration with the U.S. Department of Agriculture on training, technical assistance, and funding opportunities in rural areas.

Protecting the nation's waters remains a top priority for the EPA. We will continue to build upon decades of efforts to ensure our waterways are clean and our drinking water is safe. Water pollution

endangers wildlife, compromises the safety and reliability of our drinking water sources and treatment plants, and threatens the waters where we swim and fish. In FY 2016, we will begin implementation of the Clean Water Rule, which will clarify types of waters covered under the Clean Water Act and foster more certain and efficient business decisions to protect the nation's waters.

Supporting our state and tribal partners, the primary implementers of environmental programs, remains a priority for the EPA. The FY 2016 President's Budget has a number of positive proposals for the tribal programs. The overall proposed funding levels for Tribes has increased by 8.8% over the FY 2015 enacted levels. The 2016 Budget requests at least \$50 million in SRF support be dedicated to Tribes. . The President's request also includes increases to key categorical grants to states and tribes, including Nonpoint Source grants, with an increase of \$5.7 million, and Pollution Control (Sec. 106) grants, with an increase of \$18.3 million over the FY2015 enacted level.

In addition, the EPA is requesting over \$370 million to continue efforts to protect and restore important ecosystems through its geographic programs. These targeted programs complement the critical water quality work being done at a national scale. EPA and its federal partners are making steady progress on reducing unexpended balances of Great Lakes Restoration Initiative funding, and will continue and strengthen efforts to further reduce these balances and examine potential ways to increase expenditure rates in future years.

Thank you, Chairman Gibbs, Ranking Member Napolitano, and members of the Subcommittee for this opportunity to discuss the President's FY 2016 budget request for the EPA's National Water Program. The President's budget reflects the EPA's continuing efforts to improve water quality, and public health. We look forward to continuing our work with the Subcommittee to ensure clean and safe water for all Americans.