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Patricia Sinicropi

WateReuse Association

November 6, 2024

Dear President-Elect Trump:

On behalf of the members of the WateReuse Association, congratulations on winning the election for President of the United States. During the first term of the Trump Administration, you championed water recycling as a multi-benefit tool to support communities, build the economy, and protect public health. We appreciate your leadership on water recycling and stand ready to help you continue this work over the next four years.

In 2020, your administration launched the National Water Reuse Action Plan (WRAP), a first-of-its-kind effort to scale up water recycling around the country. Three members of your cabinet—EPA Administrator Andrew Wheeler, U.S. Secretary of the Interior David Bernhardt, and U.S. Secretary of Agriculture Sonny Perdue—participated in the launch event, demonstrating the Administration's commitment to advancing water reuse. Since the WRAP's launch, the initiative has grown to include 150 partners collaborating across nearly 100 actions.

The following pages include proposals for actions that a second-term Trump Administration can take to support water recycling within the first 100 days and first year of taking office. A number of these actions can be carried out under existing authorities and do not need additional congressional action.

The WateReuse Association is the nation's only trade association dedicated to advancing laws, policy, funding, and public acceptance of recycled water. WateReuse and its state and regional sections represent nearly 300 businesses and organizations and more than 200 water and wastewater utilities serving over 60 million customers across the country.

Should you have questions, please reach out to myself or our Policy Director, Greg Fogel, at gfogel@watereuse.org. Thank you for your consideration. We look forward to working with you and your Administration in the years ahead.

Sincerely,

Patricia Sinicropi
Executive Director

**PRESIDENTIAL TRANSITION BRIEF
ON WATER REUSE PRIORITIES
FOR ADMINISTRATIVE ACTION**

November 2024



Introduction

Water reuse, also known as water recycling, is the process of intentionally capturing wastewater, stormwater, or graywater and cleaning it as needed for a designated beneficial freshwater purpose, such as drinking, industrial processes, and agricultural irrigation. Communities across the country are incorporating water reuse into their water management strategies as a proven method for protecting water quality and combating freshwater scarcity, flooding, and saltwater intrusion, among other issues.

During its first term in office, the Trump Administration launched the [National Water Reuse Action Plan \(WRAP\)](#), a first-of-its-kind effort to advance water recycling around the country. The U.S. Environmental Protection Agency (EPA) developed the WRAP in partnership with other federal agencies and non-federal entities such as the WaterReuse Association. Three members of the Trump Administration's cabinet—the EPA Administrator Andrew Wheeler, U.S. Secretary of the Interior David Bernhardt, and U.S. Secretary of Agriculture Sonny Perdue—participated in the launch event, demonstrating the Administration's commitment to advancing water recycling as a multi-benefit tool. Since the WRAP's launch in 2020, the initiative has grown to include over 150 unique partners collaborating across nearly 100 specific actions.

The WRAP sparked tremendous growth in water recycling throughout the U.S. Growth of water reuse in the traditional water recycling centers of the arid West and South has largely been due to water supply challenges and the need for drought-resilient supplies. However, there is also exciting growth in more water-rich areas in the Pacific Northwest, Midwest, and Mid-Atlantic, where communities are now turning toward water recycling to support local economic development and help manage stormwater and water quality challenges.

On the West Coast, California recently codified regulations that will allow communities to use highly treated and purified wastewater to preserve and enhance drinking water supplies. On the other side of the country, in Virginia Beach, Virginia, Hampton Roads Sanitation District (HRSD) has launched an innovative water recycling program aimed at protecting the Chesapeake Bay, mitigating land subsidence, preventing saltwater intrusion, recharging groundwater, and managing stormwater. In Ohio, dozens of communities and businesses have come together with Ohio's state regulators to deploy water recycling to support the state's industrial base while protecting water resources. Water recycling provides business a reliable source of water for their industrial needs, while ensuring communities maintain a sustainable supply of potable water for their residents.

Historically, states have taken the lead in setting policy and regulations to support water recycling for various purposes. States have been able to craft their policies and regulations to protect the environment and public health while meeting local needs and goals. While it is



important to maintain state primacy in regulating water reuse, the federal government has an important role in providing critical tools and resources to help communities integrate reuse and build resilience. Given the growing demand for freshwater, next generation water infrastructure must address both water supply and water quality challenges.

Below are recommendations to ensure that communities and businesses can access water recycling technologies and approaches to protect public and environmental health, build reliable water supplies, and support local economic development.



Recommendations

ADMINISTRATIVE ACTIONS THAT DO NOT REQUIRE ADDITIONAL CONGRESSIONAL ENGAGEMENT

Issue #1: National Water Reuse Action Plan

Recommendation: Continue to implement and strengthen the National Water Reuse Action Plan.

Background: On February 27, 2020, your administration launched the National Water Reuse Action Plan (WRAP), a first-of-its-kind effort to advance water recycling around the country. The U.S. Environmental Protection Agency (EPA) developed the WRAP in partnership with other federal agencies and non-federal entities such as the WaterReuse Association. Three members of the Trump Administration's cabinet—the EPA Administrator Andrew Wheeler, U.S. Secretary of the Interior David Bernhardt, and U.S. Secretary of Agriculture Sonny Perdue—participated in the launch event, demonstrating the Administration's commitment to advancing water recycling as a multi-benefit tool. Since the WRAP's launch in 2020, the initiative has grown to include over 150 unique partners collaborating across nearly 100 specific actions.

Through the WRAP, EPA and partners have supported the development of a wide range of tools and resources, including an interactive catalogue of state-level water reuse standards, a water reuse research road map, and several white papers addressing key challenges to scaling up water recycling. The WRAP has facilitated dialogue between dozens of state environmental and health regulators at the annual state regulator summit on water reuse; it has helped shape design and operational standards for federal buildings and facilities; and it has supported technical assistance to small and rural communities. The WRAP has been a resounding success and continues to be a critical tool to advance the practice of water reuse across the country.

Issue #2: Water Subcabinet and Interagency Working Group on Water Reuse

Recommendation: Maintain the Federal Interagency Working Group on Water Reuse and restore the Water Subcabinet.

Background: Congress authorized the establishment of the Interagency Working Group on Water Reuse to continue the work that began under the first Trump Administration to break down silos and align and leverage programs and resources across the federal family. The



Interagency Working Group is chaired by EPA and is comprised of officials from 15 federal agencies who convene regularly to support and coordinate federal engagement on water reuse. The authorizing legislation establishes a sunset date of November 15, 2027 for the Working Group but gives the EPA Administrator the authority to extend the date per his or her discretion. We urge your Administration to extend the sunset date.

The Interagency Working Group is effectively leveraging and coordinating available tools and resources throughout the federal family. Since its creation, the Working Group has coordinated on IJA-related activities and funding opportunities, added or implemented 60 actions involving federal departments and agencies as part of the WRAP, integrated water reuse into a multitude of federal programs and policies, co-organized a water reuse delegation to Israel, and supported information exchange with water reuse practitioners and experts.

In addition to maintaining the Interagency Working Group beyond 2027, we urge you to restore the “Water Subcabinet,” which operated under the first Trump Administration. This informal collective of Senate-confirmed appointees from across the Administration successfully coordinated water-related policy and implemented policy priorities across the Executive Branch.

Issue #3: Federal Investments in Water Reuse

Recommendation 1: Support forward-looking investments in America’s water future by including at least \$25 million for the Pilot Program for Alternative Water Source Grants (Section 220 of the Federal Water Pollution Control Act (33 U.S.C. 1300)) and at least \$50 million for the Title XVI-WIIN Water Reclamation and Reuse Grants Program (as authorized in section 4009(c) of Public Law 114-322) in the FY 2026 Budget Request. In addition to championing investments in the Title XVI-WIIN Program and the Pilot Program for Alternative Water Source Grants, we further urge you to advocate for increased investments in the Clean Water State Revolving Fund (SRF) Program, Drinking Water SRF Program, and Water Infrastructure Finance and Innovation Act (WIFIA) Program, each of which supports water reuse projects across the country.

Communities across the United States are facing unprecedented water crises, be it recurrent and severe drought, disastrous flooding events, or water quality impairment. The Pilot Program for Alternative Water Source Grants (33 U.S.C. 1300) and Title XVI-WIIN Program, as well as the SRF Programs and WIFIA Program, can help communities invest in long-term solutions to address these water resource challenges.



Through the Alternative Water Source Grants Pilot Program, EPA will make competitive grants to state, interstate, and intrastate water resource development agencies to engineer, design, construct, and test alternative water source systems, including water reuse systems. When funded, the program will become the first nationwide grant program dedicated to advancing water reuse.

The Title XVI-WIIN Water Reuse Grant Program provides federal cost share for water recycling projects in 17 Western states. The program has helped communities across the West build drought resilience, keep nutrients and other pollutants out of sensitive waterways, save billions of dollars relative to importing water, and grow sustainable economies. It is a key economic development and water resiliency tool.

By investing in these two programs along with the SRF Programs and WIFIA, Congress can give communities in all 50 states the tools and resources they need to protect public health and the environment, support economic development, and create long-term solutions for future generations.

Recommendation 2: Increase the per-project funding cap for the Title XVI-WIIN Water Reuse Grants Program to account for inflation.

Background: On average, project costs for water recycling projects with approved Title XVI feasibility studies have increased by nearly 80 percent since completion of those feasibility studies. Given the significant increase in project costs in recent years, we urge you to use your authority under the *Reclamation Recycling and Water Conservation Act of 1996* to increase the per-project funding cap for the Title XVI-WIIN Water Reclamation and Reuse Grants Program from the current \$30 million to \$40 million.

The Reclamation Recycling and Water Conservation Act of 1996 states: “[...]the Federal share of the costs of each of the individual projects authorized by this title shall not exceed \$20,000,000 (October 1996 prices).” \$20 million in 1996 equates to slightly more than \$40 million in today’s dollars. A per-project funding cap of \$40 million for Title XVI-WIIN is appropriate and needed given recent increases in project construction costs. Exercising this authority will enable Reclamation to meet the demand for recycled water that will help the West cope with drought more effectively and expeditiously.

Issue #4: Establish a White House Award for Industrial Water Reuse Champions



Recommendation: The White House Council on Environmental Quality (CEQ) should establish an award program for Industrial Water Reuse Champions to support and encourage greater water recycling by large industrial water users.

Background: Industrial water use in the US is second only to agribusiness in terms of total water usage, and current industrial water reuse offsets only a fraction of this. Industry, including energy production, manufacturing, and cloud computing, is responsible for nearly half of all direct withdrawals of surface water and groundwater in the United States. Moreover, approximately 45 percent of municipal drinking water is used for industrial purposes.

To emphasize the need to increase industrial water recycling, the WaterReuse Association, U.S. Chamber of Commerce, and other partners launched the [Industrial Water Reuse Champions Award](#) to recognize companies demonstrating best-in-class practices and approaches in water reuse and recycling. The action was launched as part of EPA's [National Water Reuse Action Plan](#).

The White House can significantly elevate the importance of these initiatives by renaming the award the White House Industrial Water Reuse Champions Award and by presenting it during a White House ceremony. Incorporating this endeavor into the White House climate and sustainability agenda would incentivize more companies to use water sustainably in hopes of receiving recognition for their efforts.

Issue #5: Per- and Polyfluoroalkyl Substances (PFAS) and other Contaminants of Emerging Concern (CECs)

Recommendation: Emphasize source control, establish a regulatory structure to prevent problematic contaminants from entering commerce in the first place, and ensure that polluters—not water, wastewater, and water recycling utilities—are held liable for PFAS and CEC pollution under Superfund law.

Background: Existing pollution prevention laws such as the Toxic Substances Control Act (TSCA) have failed to prevent emerging contaminants from entering commerce. The presence and continued use of PFAS in a wide array of products, including non-stick pans, clothing, dental floss, food packaging, and firefighting foam, is a prime example. To solve the problem of PFAS and CECs, Congress and the Administration must emphasize source control and ensure that chemicals are safe before they are introduced into commerce. Once toxic contaminants are introduced into commerce, polluters rather than passive receivers must be held responsible for costs related to clean up and remediation.



In the case of PFAS, we urge the Administration to ensure that water, wastewater, and water recycling utilities are shielded from liability for contamination under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). Water utilities provide essential public services and are not manufacturers or primary sources of PFAS; rather, utilities are “passive recipients” of trace levels of PFAS, in large part through the ordinary daily activities of the residential and commercial sectors. Unless water, wastewater, and water recycling utilities are shielded from PFAS CERCLA liability, the designation of various PFAS as CERCLA hazardous substances will unfairly place liability burdens on passive receivers of PFAS rather than on producers of the substances. Doing so will undermine essential public services as utilities are forced to divert scarce public dollars to defend against litigation from other parties seeking to make local agencies financially responsible for cleanup costs.

Water, wastewater, and water recycling utilities stand ready to help tackle PFAS contamination; however, putting the liability and cost of remediation on utilities ultimately burdens the local ratepayer, and therefore, the American taxpayer, rather than the polluter. PFAS manufacturers should cover the costs of remediating PFAS pollution.

ADMINISTRATIVE ACTIONS THAT NECESSITATE ADDITIONAL CONGRESSIONAL ENGAGEMENT

Issue #6: Water Recycling Tax Incentives

Recommendation: As part of the 2025 tax policy debate, we urge the Trump Administration to work with Congress to establish a 30 percent investment tax credit (ITC) to encourage industry to use recycled water in lieu of other freshwater sources.

Background: While nearly 70 percent of the planet is covered by water, only two and a half percent is freshwater, and only one percent is accessible. Industrial water use in the US is second only to agribusiness in terms of total water usage, and current industrial water reuse offsets only a fraction of this. Industry, including energy production, manufacturing, and cloud computing, is responsible for nearly half of all direct withdrawals of surface water and groundwater in the United States. Moreover, approximately 45 percent of municipal drinking water is used for industrial purposes.

Although water reuse is a viable alternative for many industrial processes, the cost of water recycling projects may not always “pencil out”. A narrowly focused, dollar-for-dollar reduction in federal income taxes can make these projects more economically feasible. By investing in water recycling, industry will protect community water resources and local watersheds while also ensuring sustainable water supplies to support business development and job creation.



In order to maximize these public benefits, a federal ITC should be structured to cover a range of water reuse investments. We recommend a 30 percent ITC for investments made by a manufacturer, data center, or other industrial user of water to:

- Construct or expand onsite water recycling systems;
- Construct or expand the water recycling infrastructure of a municipal water or wastewater authority; or
- Purchase municipally produced recycled water in lieu of using another freshwater source, where the former is more expensive than the latter.

In some cases, industrial users of water are interested in installing or expanding onsite water reuse systems to reuse their process water for a range of purposes. In other cases, a company may be interested in partnering with a municipality to build out centralized water recycling infrastructure to increase the availability of recycled water. These systems, including treatment and conveyance infrastructure, can cost tens or even hundreds of millions of dollars. In yet another scenario, an industrial user of water may be drawing heavily from the local groundwater or surface water supply but interested in replacing that supply with municipally produced recycled water. Where a centralized recycled water supply exists and is more expensive than alternatives, an ITC can help facilitate the transition.

Issue #7: Reauthorize the Bipartisan Infrastructure Law (BIL)

Recommendation: Work with Congress to reauthorize and reup the *Infrastructure Investment and Jobs Act of 2021* (IIJA), also known as the *Bipartisan Infrastructure Legislation* (BIL).

Background: In November 2021, Congress enacted the most significant bipartisan infrastructure investment package in decades. The IIJA included tens of billions of dollars for federal loan and grant programs that help communities provide water, wastewater, water recycling, and stormwater management services for residents and businesses. This includes \$1 billion for Western water recycling as well as authority for a new nationwide grant program for water recycling projects. Much of this funding and many of these authorities, however, expire at the end of FY 2026. Moreover, the need for capital for water recycling projects far outstrips available funding, despite the critical investments made by the IIJA. This demand will only grow as drought, population growth, and rapid business development continue to put pressure on local and regional water resources. We therefore urge you to work with Congress to reauthorize and renew funding for the IIJA for an additional five years.



Given the ongoing need for water infrastructure investments across the country, we recommend that the IJA be renewed every five years, much like the Farm Bill. A reauthorized IJA should include five additional years of funding for the Title XVI Water Reuse Grants Program, five additional years of funding for the Large-Scale Water Recycling Competitive Grants Program, and first-time funding for the Pilot Program for Alternative Water Source Grants, which was authorized but not funded in the initial IJA.

Conclusion

Across the country, water, wastewater, and stormwater managers have shown that water recycling can be a central feature in innovative, integrated approaches to solving water management challenges. With continued federal support, water reuse can enable communities and businesses to grow local economies and confront and mitigate threats to water supplies and water quality.

More so than any Administration before it, the first Trump Administration championed water recycling as a multi-benefit tool to support communities, build the economy, and protect public health. The WaterReuse Association appreciates your leadership in this area and stands ready to help you continue this work over the next four years.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Pat. Sinicropi', with a stylized flourish at the end.

Patricia Sinicropi
Executive Director

