# States Inclusion of Climate Adaption/Related Resilience Efforts in their Clean Water State Revolving Fund Intended Use Plans: U.S. EPA Office of Inspector General Report

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04/12/2024

The United States Environmental Protection Agency ("EPA") Office of Inspector General ("OIG") issued a report titled:

Half the States Did Not Include Climate Adaption or Related Resilience Efforts in their Clean Water State Revolving Fund Intended Use Plans ("Report")

See Report No. 24-P0031.

The Report is transmitted from OIG Inspector General Sean W. O'Donnell to EPA Office of Water Acting Assistant Administrator Bruno Pigott.

OIG states that it initiated an audit to determine to what extent:

- EPA has provided guidance and reviewing states' Clean Water State Revolving Fund ("CWSRF") intended use plans to ensure that the plans, as they relate to climate change resiliency, meet the intent of the presidential policy directive to strengthen and maintain secure, functioning, and resilient critical infrastructure;
- The states, in their CWSRF planning are considering climate change resiliency to safeguard federal investments, including funding provided by the Infrastructure Investment and Jobs Act, and annual appropriations.

The CWSRF is a federal-state-local partnership providing funding for water quality infrastructure projects. The CWSRF and Drinking Water State Revolving Funds are utilized to upgrade water, wastewater, and stormwater infrastructure. They are designed to provide low-interest, flexible loans for water infrastructure. Such funding is administered by the Arkansas Natural Resources Division in Arkansas, which is a component of the Arkansas Department of Agriculture.

States are required to prepare annual intended use plans containing information regarding:

- Goals and objectives
- Projects to be funded
- Criteria and methods used to select projects

OIG notes that EPA has prioritized climate adaption which has included providing guidance to states during the development of their annual CWSRF funds intended use plans.

The Report concludes that EPA has had:

. . .limited success in getting states to include climate adaption or related resilience efforts, such as those addressing natural disasters, in their IUPs.

Thirteen states were found to have addressed these issues in their 2020 intended use plans. However, the number is noted to have increased to 25 states after enactment of the Infrastructure Investments and Jobs Act and the establishment of the climate adaption priority.

OIG concludes that potential reasons for the other states' failure to address these issues may issue:

- The Clean Water Act grants sole authority to states to determine the funding priorities for eligible CWSRF projects
- EPA does not require that states include a discussion of climate adaption in their intended use plans
- EPA's communication to its Regions about discussing funding priorities with the states did not always include the federal agency's climate adaption priority

OIG recommends that EPA's Assistant Administrator for Water:

- Require EPA Regions to annually discuss with states the priority to fund projects that support climate adaption
- Update guidance to Regions and states on the required discussions
- Determine whether additional steps could be taken to require states to include in their intended use plans a discussion of their progress with including climate adaption
- Annually document the states' progress with including climate adaption in their planning efforts

A copy of the OIG Report can be downloaded here.