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TECHNICAL ASSISTANCE FOR RURAL WATER SYSTEMS: S. 611, THE GRASSROOTS RURAL AND SMALL COMMUNITY WATER SYSTEMS ASSISTANCE ACT

HEARING

BEFORE THE

SUBCOMMITTEE ON ENVIRONMENT AND THE ECONOMY

OF THE

COMMITTEE ON ENERGY AND COMMERCE
HOUSE OF REPRESENTATIVES

ONE HUNDRED FOURTEENTH CONGRESS

FIRST SESSION

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TECHNICAL ASSISTANCE FOR RURAL WATER SYSTEMS: S. 611, THE GRASSROOTS RURAL AND SMALL COMMUNITY WATER SYSTEMS ASSISTANCE ACT

THURSDAY, OCTOBER 22, 2015

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON ENVIRONMENT AND THE ECONOMY,
COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC.

The subcommittee met, pursuant to call, at 10:02 a.m., in room 2123 Rayburn House Office Building, Hon. John Shimkus (chairman of the subcommittee) presiding.

Members present: Representatives Shimkus, Harper, Latta, McKinley, Johnson, Flores, Cramer, Tonko, Schrader, Green, McNerney, and Pallone (ex officio).

Staff present: Will Batson, Legislative Clerk; Rebecca Card, Assistant Press Secretary; Jerry Couri, Senior Environmental Policy Advisor; Dave McCarthy, Chief Counsel, Environment and the Economy; Chris Sarley, Policy Coordinator, Environment and the Economy; Dan Schneider, Press Secretary; Christine Brennan, Democratic Press Secretary; Jacqueline Cohen, Democratic Senior Counsel; Rick Kessler, Democratic Senior Advisor and Staff Director, Energy and Environment; Alexander Ratner, Democratic Policy Analyst; and Timia Crisp, Democratic AAAS Fellow.

Mr. SHIMKUS. The committee will come to order, and the Chair recognizes himself for an opening statement.

OPENING STATEMENT OF HON. JOHN SHIMKUS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ILLINOIS

Today, we are reviewing Senate Bill 611, the Grassroots Rural and Small Community Water Systems Assistance Act. This bill, which passed the Senate by unanimous consent on June 9th of this year, is the Senate companion to H.R. 2853, introduced by our ranking member of the subcommittee, Mr. Tonko, and the vice chairman of the subcommittee, Mr. Harper.

I congratulate and thank them for their bipartisan work to raise the profile of this issue before the subcommittee and encouraging our work on it.

According to the Census Bureau, approximately 27 percent of the U.S. population lives in rural areas. The smallest water systems account for 77 percent of all systems.

As someone who proudly represents communities in small town and rural America, I am glad we have bipartisan interest in tackling this subject.

Under the Safe Drinking Water Act, small and rural drinking water supply systems are subject to a number of drinking water regulations issued by EPA. These requirements include system monitoring, treatment to remove certain contaminants and reporting.

Addressing these matters requires technical, managerial, and physical capabilities that are difficult to develop and are often beyond the capacity of these towns to afford on the same scale as urban centers, particularly when it comes to regulatory compliance.

It is ironic that these communities, where residents work hard to support their families and their local governments while often earning wages below those of their counterparts in the more urbanized areas, face per customer compliance costs and demands that are disproportionate to many larger communities.

Sometimes, it is just a matter of having the ability to keep up with the red tape. Rather than throwing more scarce money at the problem, we learned in February that these communities need help to smartly assess what their needs are for these systems and prioritize the importance of those needs.

The bill before us amends Safe Drinking Water Act to reauthorize the EPA's program providing technical assistance to small public water systems.

Senate Bill 611 maintains the existing statutory authority of $15 million annually, including 3 percent for technical assistance to public water systems owned or operated by Indian tribes, but changes the law to cover funding from fiscal year 2015 through fiscal year 2020.

The bill also authorizes EPA to provide technical assistance programs to small public water systems through grants or cooperative agreements made to nonprofit organizations.

The bill requires preference in awarding grants to nonprofits that are most qualified and experienced and that small water systems find most beneficial and effective—a feature we heard about during our February hearing.

Finally, while Senate Bill 611 prevents grants and cooperative agreements from being used to bring a citizen suit under the Safe Drinking Water Act, it expands the types of activities eligible to receive a grant or cooperative agreement under this Safe Drinking Water Act to include assistance with source water protection plans, monitoring plans and water security.

I want to thank our witnesses who joined us. Having this hearing today is all the more important because, while the House Appropriations Committee has not provided small water technical assistance funding for fiscal year 2016, that committee has left open the option that it would reevaluate funding for this matter as part of a later annual spending bill if Congress enacts a fresh authorization.

People who live in rural communities deserve every bit of water quality and technical resources that folks who live in densely populated urban centers do.

We look forward to your wisdom in helping us understand these issues. Thanks again to Mr. Tonko and Mr. Harper for their work on this issue.

[The prepared statement of Mr. Shimkus follows:]

PREPARED STATEMENT OF HON. JOHN SHIMKUS

Today we are reviewing S. 611, the Grassroots Rural and Small Community Water Systems Assistance Act. This bill, which passed the Senate by unanimous consent on June 9, 2015, is the Senate companion to H.R. 2853, introduced by our ranking member of the subcommittee, Mr. Tonko, and the vice chairman of the subcommittee, Mr. Harper, I congratulate and thank them for their bipartisan work to raise the profile of this issue before the subcommittee and encouraging our work on it.

According to the Census Bureau, approximately 27 percent of the U.S. population lives in a rural area. The smallest water systems account for 77 percent of all systems. As someone who proudly represents communities in small town and rural America, I am glad we have bipartisan interest in tackling this subject.

Under the Safe Drinking Water Act, small and rural drinking water supply systems are subject to a number of drinking water regulations issued by EPA. These requirements include system monitoring, treatment to remove certain contaminants, and reporting. Addressing these matters requires technical, managerial, and physical capabilities that are difficult to develop and are often beyond the capacity of these towns to afford on the same scale as urban centers—particularly when it comes to regulatory compliance.

It's ironic that these communities, where residents work hard to support their families and their local governments, while often earning wages below those of their counterparts in the more urbanized areas, face per customer compliance costs and demands that are disproportionate to many larger communities. Sometimes, it's just a matter of having the ability to keep up with the red-tape.

Rather than throwing more scarce money at the problem, we learned in February that these communities need help to smartly assessing what their needs are for these systems and prioritize the importance of those needs.

The bill before us amends Safe Drinking Water Act to reauthorize the EPA's program providing technical assistance to small public water systems.

S. 611 maintains the existing statutory authorization of $15 million annually (including 3 percent for technical assistance to public water systems owned or operated by Indian Tribes), but changes the law to cover funding from fiscal year 2015 through fiscal year 2020. The bill also authorizes EPA to provide technical assistance programs to small public water systems through grants or cooperative agreements made to non-profit organizations. The bill requires preference in awarding grants to non-profits that are most qualified and experienced and that small water systems find most beneficial and effective—a feature we heard about during our February hearing.

Finally, while S. 611 prevents grants and cooperative agreements from being used to bring a citizen suit under SDWA, it expands the types of activities eligible to receive a grant or cooperative agreement under this SDWA to include: assistance with source water protection plans, monitoring plans, and water security.

I want to thank our witnesses who joined us. Having this hearing today is all the more important because, while the House Appropriations Committee has not provided small water system technical assistance funding for fiscal year 2016, that committee has left open the option that it would re-evaluate funding for this matter as part of a later annual spending bill if Congress enacts a fresh authorization.

People who live in rural communities deserve every bit of water quality and technical resources that folks who live in densely populated urban centers do. We look forward to your wisdom in helping us understand these issues.

[The proposed legislation appears at the conclusion of the hearing.]

Mr. SHIMKUS. I yield the balance of my time, and I now yield to Mr. Tonko for the purpose of making an opening statement.

OPENING STATEMENT OF HON. PAUL TONKO, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Mr. TONKO. Thank you, Chair Shimkus, and good morning. For holding this hearing, we thank you. It is important to review the Grassroots, Rural and Small Community Water Systems Assistance Act.

I am very pleased to be working with you, Chair, and with Representative Harper and the other members of the subcommittee to move this bill forward.

Sen. Wicker's bill and its companion, H.R. 2853, offers a small but important step that we need to take to support small water utilities. S. 611 reauthorizes a small but important program that delivers technical assistance and training to community water systems.

The ratepayer base for these small systems does not provide a sufficient operating budget to support full time technical positions.

Technical assistance programs like circuit riders and source water protection programs help small utility operators to keep clean safe drinking water flowing to their customers.

Our community water utilities have needs that go far beyond technical assistance, of course. The hearing in our subcommittee back in February provided us with ample evidence of the many needs of small community water utilities.

The situation that exists in rural, suburban and metropolitan areas across our country with respect to the condition of our drinking water infrastructure is indeed very serious.

Drinking water infrastructure across the country is in need of major repairs and major upgrades. Communities are struggling to find the resources needed to maintain water mains, pumping stations and drinking water treatment facilities.

Households and businesses across our country expect reliable daily delivery of safe clean water at an affordable price to their homes and their businesses.

They not only expect it, it is essential to the social and economic viability of every community, of every household, of every business.

The inconvenience, the disruption of daily activities and economic losses to businesses of emergency shutdowns to drinking water systems is indeed significant, even for a shutdown of short duration.

A longer term break in service, as we all know, is devastating. Water utilities, especially those with small rate basis, cannot simply pass all of their costs for technical assistance, infrastructure repairs, tapping into new water sources or keeping pace with drinking water regulations on to their customers by raising rates.

The backlog of maintenance is now too large to be covered by rate increases alone. It is long past time for Congress to step in and provide robust financial support, support that would repair and modernize this essential infrastructure.

Too often now utilities are responding to emergency situations, situations created by ruptures of water mains or sudden problems with raw water quality or quantity. Emergency response costs far more than a systematic planned program of repair and replacement.

The Environmental Protection Agency's most recent report on drinking water infrastructure and their needs indicates that—an

investment of $384.2 billion over the next 20 years, about $19 billion, that is, per year.

Because past Congresses failed to heed the information that we asked the agency to produce this number has grown by about $157 billion since the first report was issued back in 1995.

We are headed in the wrong direction. Clearly, more resources are needed. We are not saving money by continuing to ignore this problem. We are only passing an ever growing maintenance bill onto our children and grandchildren and generations yet unborn.

Our parents and grandparents invested in the infrastructure that enabled our Nation to grow and our Nation to prosper. We have a responsibility to ensure that the Nation's infrastructure remains a strong foundation for prosperity into the future.

In addition, to support through traditional funding mechanisms the State revolving loan fund and grant programs, we should also examine alternative financing mechanisms, new technologies and potential new partnerships that would enable every dollar to go that much further in reducing the backlog of infrastructure projects.

We cannot afford to delay these investments any longer. The bill for these repairs is growing, growing larger over time and failure to maintain these systems jeopardizes public health and limits development and economic growth.

Public health, community viability and economic vitality all rest on the foundation of sound infrastructure.

We cannot maintain global leadership and compete in a 21st century global economy with poorly maintained 20th century infrastructure.

And so, Mr. Chair, I hope this bill will not be the subcommittee's last effort on drinking water this Congress. I am certain that other members hear about this problem in their districts as often as you and I do.

If we work together we can rebuild this essential infrastructure and foster economic growth and protect public health. We have an excellent panel with us today and I thank you both for taking time away from the important work that you do to be here with us this morning.

With that, I look forward to your testimony and to working with you going forward. Let us build our drinking water infrastructure.

With that, I yield back to the Chair.

Mr. SHIMKUS. Gentleman yields back his time.

The Chair now recognizes the vice chair of the committee and the coauthor, along with the ranking member, of the House version of this legislation, Mr. Harper, for 5 minutes.

OPENING STATEMENT OF HON. GREGG HARPER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MISSISSIPPI

Mr. HARPER. Thank you, Mr. Chairman, and thank you so much for our witnesses being here.

Mr. Chairman, thank you for holding this legislative hearing on S. 611, the Grass Roots Rural and Small Community Water System Assistance Act.

As you well know, this issue is of great importance to our constituents who live in rural and small communities. Rural water system often find themselves at a loss when complying with Federal rules and regulations and the technical assistance provided by S. 611 is the tool they use to ensure they are meeting the needs of their customers.

I appreciate the work Mr. Tonko and his staff have done on this issue and for his help in introducing H.R. 2853, the House companion bill to S. 611.

I also would like to welcome my friend, Kirby Mayfield, the executive director of the Mississippi Rural Water Association, and I look forward to hearing today from each of these witnesses and working on these rural water issues in the future.

With that, I yield back, Mr. Chairman.

Mr. SHIMKUS. Gentleman yields back his time.

Chair now recognizes the ranking member of the full committee, Mr. Pallone, for 5 minutes.

OPENING STATEMENT OF HON. FRANK PALLONE, JR., A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW JERSEY

Mr. PALLONE. Thank you.

I am pleased that the subcommittee is returning to the important issue of drinking water safety. We started this Congress by examining some emerging drinking water threats including toxic blue green algae and the legislation this subcommittee passed on harmful algal blooms is now taking effect and it has set us on a path to address that serious threat.

We also held a hearing back in February on problems facing rural water systems. As we heard then, these systems are facing serious threats from outdated infrastructure, lack of funding and extreme weather.

We in Congress have continued to underfund infrastructure improvements and have continued to undermine efforts to address climate change. So we should expect these problems to get worse before they get better.

Resources are central to any conversation about safe drinking water. Much of our Nation's drinking water infrastructure is well beyond its useful life and in desperate need of replacement. Investing in drinking water infrastructure protects public health, creates jobs and boosts the economy.

It is imperative that this subcommittee take on the important task of reauthorizing the drinking water State revolving fund. The longer we put off drinking water repairs, the more pressing the public health threats become.

But the subcommittee is not tackling that important task today. Instead, the majority is focused on a small pot of money set aside for technical assistance for small public water systems.

This money, distributed through grantees including the National Rural Water Association and the Rural Community Assistance Partnership, has been important for small systems though it does not begin to close the infrastructure funding gap that they face.

Both NRWA and RCAP will be represented on the panel today and I look forward to hearing from them about how this program

can be implemented to the greatest benefit for small systems and public health.

I expect the committee and probably the House will move this legislation. It will be signed by the president. That is a good step and I welcome it. But it is not the whole solution for small systems or for our drinking water infrastructure.

Small systems serve only 8 percent of the population. We should absolutely do what is necessary to ensure they have safe water.

But we should also protect the other 92 percent and that means reauthorizing the SRF, ensuring that fracking is done safely, ensuring source water protection, addressing drought and planning for climate change.

I liked the algae bill we worked on earlier this year. This bill shows that we can come together to pass laws and address drinking water issues.

So I hope my Republican colleagues will see this only as the beginning and I thank the chairman for calling this hearing.

I particularly thank the ranking member of our subcommittee, Mr. Tonko, for his leadership on drinking water issues.

I don't know if anybody else wants my time. If not, I will yield back, Mr. Chairman.

[The prepared statement of Mr. Pallone follows:]

PREPARED STATEMENT OF HON. FRANK PALLONE, JR.

I am pleased that the subcommittee is returning to the important issue of drinking water safety. We started this Congress by examining some emerging drinking water threats, including toxic blue green algae. The legislation this subcommittee passed on harmful algal blooms is now taking effect, and it has set us on a path to address that serious threat.

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It is imperative that this subcommittee take on the important task of reauthorizing the drinking water State Revolving Fund (SRF). The longer we put off drinking water repairs, the more pressing the public health threats become.

But the subcommittee is not tackling that important task today. Instead, the majority is focused on the small pot of money set aside for technical assistance for small public water systems. This money, distributed through grantees including the National Rural Water Association (NRWA) and the Rural Community Assistance Partnership (RCAP), has been important for small systems, though it does not begin to close the infrastructure funding gap they face.

Both NRWA and RCAP will be represented on the panel today, and I look forward to hearing from them about how this program can be implemented to the greatest benefit for small systems and public health.

I expect the committee and probably the House will move this legislation, and it will be signed by the President. This is a good step, and I welcome it.

But it is not the whole solution for small systems, or for our drinking water infrastructure. Small systems serve only 8% of the population. We should absolutely do what is necessary to ensure they have safe water, but we should also protect the other 92%. That means reauthorizing the SRF, ensuring that fracking is done safely, ensuring source water protection, addressing drought, and planning for climate change.

Like the algae bill we worked on earlier this year, this bill shows that we can come together to pass laws and address drinking water issues. I hope my Republican colleagues will see this as only the beginning.

I thank the chairman for calling this hearing and particularly thank the ranking member of the subcommittee, Mr. Tonko, for his leadership on drinking water issues.

Mr. SHIMKUS. The gentleman yields back his time.

So, again, welcome. Your full statement is submitted for the record. You will have 5 minutes. We are not going to be, you know, harsh on the time but we appreciate you coming in and making the effort to be here.

So, first of all, I would like to recognize Mr. Kirby Mayfield, executive director of the Mississippi Rural Water Association. You are recognized for 5 minutes.

Welcome.

STATEMENTS OF KIRBY MAYFIELD, EXECUTIVE DIRECTOR, MISSISSIPPI RURAL WATER ASSOCIATION, AND ROBERT STEWART, EXECUTIVE DIRECTOR, RURAL COMMUNITY ASSISTANCE PARTNERSHIP

STATEMENT OF KIRBY MAYFIELD

Mr. MAYFIELD. Thank you, and good morning, Chairman Shimkus, Ranking Member Tonko, members of the subcommittee.

I am Kirby Mayfield, the executive director of Mississippi Rural Water Association, a nonprofit association of over 1,000 small rural communities as members.

All small and rural communities have the very important public responsibility of complying with all Federal water regulations and for supplying the public with safe drinking water and sanitation every second of every day.

Small and rural communities often have difficulty providing safe affordable drinking water and sanitation due to limited economies of scale and lack of technical experience.

I am very proud that our congressman on the committee, Representative Greg Harper, is sponsor of the Grassroots Rural and Small Community Water Systems Assistance Act in the House of Representatives. Thank you very much, Congressman Harper.

Attached to my written testimony is a letter from the New York Rural Water Association to Representative Tonko, stating, "On behalf of all the rural small communities in the 20th congressional district in the State of New York, we are grateful to Congressman Tonko for being the original cosponsor of the Grassroots Rural Water Small Community Water Systems Assistance Act and for your continued assistance."

Mr. Chairman, I used to be a rural water circuit rider for over a decade back in Mississippi. As a circuit rider, as a water operations and compliance assistance technician who travels the State to be available on site and immediately to any small community that has water issues, the circuit rider concept was designed and funded by Congress to allow small communities access to technical expertise that is available to most all larger communities.

A typical on-site contact could include ensuring the water service is protected and secure, discovering and repairing a faulty chlorination system, assisting the community to remove and re-

place the filtration media, training a new operator to run that particular treatment system, finding engineering and construction errors in a new sewer system, solving lead and copper rule problems or completing all the paperwork for funding programs including the State revolving funds.

Often this means being available to travel to the communities on nights, weekends and during disasters when the problem occurs. Each community's water infrastructure is unique, which means technical assistance must be available to address that community's particular problem.

Regarding the Grassroots Rural and Small Community Water Systems Assistance Act, small and rural communities urge the subcommittee to approve the bill for the following reasons.

The EPA appropriation bill directs about one-half of 1 percent of the agency's internal budget to drinking water technical assistance.

Of the billions of dollars provided to EPA by Congress each year, small rural communities will tell you they see and feel the most benefit from the dollars provided to on-site technical assistance.

The bill reauthorizes the Safe Drinking Water Act technical assistance provision and mandates that EPA target congressional funding for the most beneficial assistance to small rural communities.

The preference provision in the bill ensures EPA will follow congressional intent and administration of the appropriations.

This provision would have implementing the program easier for EPA by providing greater clarity of the intent of Congress to require EPA to ask each technical assistance provider competing for the funding to simply demonstrate to what extent community water systems find their proposal to be the most beneficial and effective.

Small and rural communities are very hopeful the bill can be enacted in the remaining weeks of this congressional session and be operative in this appropriations cycle.

Currently, the small rural communities are struggling under new Federal regulations, complex funding program applications and continuing mandatory operator training requirements.

Thank you again for the opportunity to appear before the subcommittee and discuss this very important public health issue for small and rural communities.

I would be happy to entertain any questions from the subcommittee. Thank you.

[The statement of Mr. Mayfield follows:]

TESTIMONY OF

KIRBY MAYFIELD

EXECUTIVE DIRECTOR
MISSISSIPPI RURAL WATER ASSOCIATION

ON BEHALF OF THE

NATIONAL RURAL WATER ASSOCIATION

BEFORE THE

SUBCOMMITTEE ON HEALTH AND ENVIRONMENT

COMMITTEE ON ENERGY AND COMMERCE
U.S. HOUSE OF REPRESENTATIVES

OCTOBER 22, 2015

S. 611, THE GRASSROOTS RURAL AND SMALL COMMUNITY WATER SYSTEMS ASSISTANCE ACT

Good morning, Chairman Shimkus, Ranking Member Tonko and members of the Subcommittee. I am Kirby Mayfield, the Executive Director of the Mississippi Rural Water Association (MsRWA) – a non-profit association of over 500 small and rural communities in Mississippi. I am here to represent the National Rural Water Association (NRWA) which is a nationwide non-profit association with over 31,000 small and rural communities as members. Our members and all small and rural communities have the very important public responsibility of complying with all applicable federal water regulations and for supplying the public with safe drinking water and sanitation every second of every day. Most U.S. water utilities are small; 94% of the country's 51,651 drinking water supplies serve communities with fewer than 10,000 persons, and 80% of the country's 16,255 wastewater supplies serve fewer than 10,000 persons. Small and rural communities often have difficulty providing safe, affordable drinking water and sanitation due to limited economies of scale and lack of technical expertise.

I am very proud that our Congressman on the committee, Representative Gregg Harper, is the sponsor of the Grassroots Rural and Small Community Water Systems Assistance Act in the House of Representatives – thank you very much, Congressman Harper.

Attached to my written testimony is a letter from the New York Rural Water Association to Representative Tonko, stating, *"On behalf of all the rural and small communities in the 20th Congressional District and the state of New York, we are grateful to Congressman Tonko for being the original cosponsor on the Grassroots Rural and Small Community Water System Assistance Act and for your continued assistance to us. We truly appreciate your numerous tours of the local communities' water infrastructure this summer, your invitation to Mayor Keegan from Castleton to appear for the committee earlier this year, and your sponsorship of the AQUA Act which small and*

rural communities support and urge Congress to pass." The letter is endorsed by the 25 New York Rural Water Association members in Mr. Tonko's District.

Mr. Chairman, I used to be a rural water circuit rider for over a decade in Mississippi. A circuit rider is a water operations and compliance assistance technician who travels the state to be available on-site and immediately to any small community that has a water issue. This circuit rider concept was designed and funded by Congress to allow small communities access to technical expertise that is available to most all larger communities. It also allows each small community in every state to have shared access to the assistance. As a circuit rider, I could be in as many as 10 different communities a week checking on their water and sewer systems. I have probably been on-site at over 800 small water utilities in Mississippi. Sometimes the water situation was critical to public health like broken disinfection, contamination, loss of power, or a catastrophic water line break, and I would stay longer to remedy the problem. Sometimes I would just stop by to make sure the local operator was confident in what they were doing to keep the water safe. Local officials and local folks are always more comfortable confiding in one of their peers than a regulatory official or someone trying to sell them something. And local officials are more open to modify their water management practices if the suggestions come from a peer.

This peer networking also results in another positive effect: it allows all the communities to network together and help each other to create a peer dynamic that encourages improvement in all involved. The peer-to-peer relationship with local folks means better communication and more cooperation from the local officials. The most essential element to ensuring the safety of the public's water is the competency and integrity of the operator and local governing officials. Some communities are so small they rely on volunteers. This is something that can't be uniformly regulated because each community has a unique set of challenges and limited ability to pay for services.

A typical on-site contact could include ensuring the water service is protected and secure, discovering and repairing a faulty gas chlorination system, assisting a community to remove and replace the filtration media, training a new operator to run that particular treatment system, finding engineering and construction errors in a new sewer system, implementing a non-point pollution prevention plan, solving lead and copper rule problems, or completing all the paperwork for funding programs including the state revolving funds (SRFs). It is often more difficult for small communities to access SRF funds than large communities due to the administrative burden. Often the assistance saves thousands of dollars for the community and keeps the systems in long-term compliance with EPA rules – and it is the only assistance available to the community.

Drinking water safety is not a good fit for a regulatory model because everyone wants to provide safe water. Local water supplies are operated by people who are locally elected and whose families drink the water every day. Enforcement may not be the best way to help a small disadvantaged community provide better drinking water. What locals want and need is someone they trust to teach them how to comply in a simple and affordable manner – and similarly, how to operate and maintain their treatment system. Often this means being available to travel to the community on nights,

weekends and during disasters – when the problem occurs. Each community's water infrastructure is unique which means technical assistance must be available to address that community's particular problem. This is why circuit riders must be available to travel directly to local communities on their time schedule – and have hands-on operational experience in many different water systems. Additionally, it is essential that the assistance provider only represents the community's interest in order to identify the most economical solution and provide the best advice for local decision-makers.

Regarding the Grassroots Rural and Small Community Water Systems Assistance Act, small and rural communities urge the subcommittee to approve the bill for the following reasons:

- This year's House Environmental Protection Agency (EPA) appropriations bill (H.R. 2822) directs about one-half of one percent of the agency's internal budget (Environmental Programs and Management) to drinking water technical assistance. Of billions of dollars provided to EPA by Congress each year, small rural communities will tell you they see and feel the most benefit from the dollars provided to on-site technical assistance. The bill reauthorizes the Safe Drinking Water Act technical assistance provision and mandates that the EPA target Congressional funding for the most beneficial assistance to small and rural communities (section 4 (b)). Currently EPA has discretion to keep most of the appropriations from funding the most beneficial assistance in Mississippi and other states (because EPA is not mandated to use Congressional funding where it is most beneficial from the perspective of small and rural communities).

  > *Section 4. (B) PREFERENCE- To ensure that technical assistance funding is used in a manner that is most beneficial to the small and rural communities of a State, the Administrator shall give preference under this paragraph to nonprofit organizations that, as determined by the Administrator, are the most qualified and experienced and that the small community water systems in that State find to be the most beneficial and effective.*

- The "preference" provision in the bill ensures EPA will follow Congressional intent in administering technical assistance appropriations by clearly stating the principled public policy in statute. This provision would make implementing the program easier for EPA by providing greater clarity of the intent of the Congress.

- The "preference" provision reduces (or eliminates) the subjectivity for EPA in administering technical assistance appropriations. It would be a simple exercise for EPA to ask each technical assistance provider competing for funding to simply demonstrate to what extent small community water systems find their proposal to be "*most beneficial and effective.*" This could be as simple as quantifying statements from small communities. Counting or quantifying statements from small communities is more measurable and less subjective than the current process. There are numerous organizations currently providing technical assistance with Congressional appropriations and all could equally compete for future appropriations under the act. However, this would ensure the funding is used to fulfill Congressional intent and meritorious public policy principles. Opposition to this preference provision is

opposition to using Congressional technical assistance appropriations in a manner most beneficial for small communities.

- Small and rural communities are very hopeful the bill can be enacted in the remaining weeks of this Congressional session and be operative in this appropriations cycle. Currently, the small and rural communities are struggling under new federal regulations, complex funding program applications, and continuing mandatory operator training requirements. Many small communities are now trying to implement the new disinfection by-products rule for the first time. The rule is 134 Federal Register pages long. It is just starting to be enforced in many small and rural communities. It is very complex, confusing, and burdensome. We need help as soon as possible.

Thank you again for the opportunity to appear before the Subcommittee and discuss this very important public health issue for small and rural communities. We are very eager to be of any assistance possible and we are looking forward to engaging you on additional water and environmental issues. I would be happy to entertain any questions from Subcommittee Members.

Reference

All small and rural communities must comply with federal drinking water regulations (under the Safe Drinking Water Act) or face fines of $25,000 a day. The paperwork alone can cost communities thousands of dollars for compliance.

EPA Rule/Mandates	(# of Federal Register Pages)
Arsenic Rule	91 pages
Chemical Rules	27 pages
Lead and Copper Rule	64 pages
Radionuclides Rule	47 pages
Uranium Rule	77 pages
Filter Backwash Rule	20 pages
Ground Water Rule	88 pages
Enhanced Surface Water	44 pages
LT 1 Surface Water Rule	33 pages
LT 2 Surface Water Rule	134 pages
1 Disinfect-Byproducts Rule	87 pages
2 Disinfect-Byproducts Rule	134 pages
Surface Water Rule	57 pages
Total Coliform Rule	26 pages
Public Notification Rules	23 pages
Operator Certification	7 pages
Vulnerability Assessments	27 pages
Unregulated Monitoring	31 pages

Summary of H.R.2822 — 114th Congress (June 18, 2015)

Mr. Calvert, Making appropriations for the Department of the interior, environment, and related agencies for the fiscal year ending September 30, 2016, and for other purposes.

TITLE II—ENVIRONMENTAL PROTECTION AGENCY

Science and Technology	$704,918,000
Environmental Programs and Management	$2,472,289,000
Office of Inspector General	$40,000,000
Buildings and Facilities	$34,467,000
Hazardous Substance Superfund	$1,088,769,000
Leaking Underground Storage Tank Trust Fund Program	$91,941,000
Inland Oil Spill Programs	$17,944,000
State and Tribal Assistance Grants	$2,979,829,000

$1,018,000,000 for the Clean Water State Revolving Funds
$757,000,000 for the Drinking Water State Revolving Funds
$5,000,000 in the area of the United States-Mexico Border
$10,000,000 for the State of Alaska
$75,000,000 for CERCLA
$50,000,000 for the Energy Policy Act of 2005
$20,000,000 for targeted airshed grants
$1,044,829,000 for miscellaneous States, tribal and local grants

October 22, 2015

The Honorable Paul Tonko
U.S. House of Representatives
Washington, DC 20515

Dear Representative Tonko:

All the small and rural community members of the New York Rural Water Association Water Systems thank you for your continued help and assistance. We appreciate your efforts and leadership in cosponsoring the Grassroots Rural and Small Community Water System Assistance Act, your numerous tours of the local communities' water infrastructure this summer, your invitation to Mayor Keegan from Castleton to appear for the committee earlier this year, and your sponsorship of the AQUA Act.

With over 1400 members, NYRWA is the largest membership organization representing small water/wastewater systems in the state. Our members include villages, towns, municipal water and sewer districts, county authorities, state and federal institutions/facilities, schools and colleges, investor-owned water utilities, homeowner associations, and privately owned systems such as mobile home parks. Our association is run by and for small and rural communities. We assist communities and systems to comply with complex regulations and to protect the public health and environment through on-site technical assistance, specialized training, and as a liaison to the government. Our hands-on practical technical assistance is provided at no cost on a wide variety of topics such as state and federal regulations, reporting, fiscal management, initial and continuing training needs, source water protection, system operation and maintenance.

Sincerely, Pat Scalera and the NYRWA 20th District Members

Village of Altamont
City of Cohoes
Delanson Water Department
Town of Glenville
Town of Guilderland
Town of Halfmoon
Hannaford Brothers Co.
Town of New Scotland
Village of Ravena
Village of Round Lake
Village of Stillwater
Town of Waterford
Town of Westerlo
Castleton-on-Hudson
Village of Fort Plain
Village of Fultonville
Grafton Lake State Park
Village of Hagaman
Hamtpon Manor/Hillview E. Greenbush WD
Village of Nassau
Village of Palatine Bridge
Town of Rensselaerville
Town of Schdack
Village of Voorheesville
West Hill Water Company

P.O. Box 487 Claverack, NY 12513 | Phone: (518) 828-3155 | Email: nyrwa@nyruralwater.org

Mr. SHIMKUS. Thank you, Mr. Mayfield.

And now I will turn to Robert Stewart, executive director of Rural Community Assistance Partnership Incorporated, and I think you were here a couple months ago. It is great to have you back, and welcome.

STATEMENT OF ROBERT STEWART

Mr. STEWART. Thank you so much, Chairman.

I really appreciate the opportunity to come back and, Chairman Shimkus and Ranking Member Tonko and members of the committee, it really is a pleasure to be here and talk to you about this subject.

I think what we have heard already has laid a great foundation sort of describing what the problem is. But, you know, I am here to testify in support of any efforts including this legislation that can increase the availability of technical assistance and training for small community water systems that is provided by those nonprofit organizations best suited to provide this assistance that have staff on the ground in every State and that is directed at meeting the most critical needs of small communities in regards to regulatory compliance, financial, managerial and technical sustainability.

My name, again, is Robert Stewart. I am with the Rural Community Assistance Partnership, which is a national organization, been around 40 years working with a couple thousand rural communities every year primarily on water and wastewater issues as well as solid waste, affordable housing and economic development issues.

Section 1442(e) of the Safe Drinking Water Act amendments of 1996 were meant to help small communities comply with the increasing regulatory burden that was being placed on them by the Safe Drinking Water Act, sort of a trade-off where we are going to ask you to comply with additional requirements and these have been coming down significantly in the last 20 years.

In order to comply with these things, we said it was going to be a Congress—you all said it was going to be necessary to provide some technical assistance and that is what 1442(e) has—was meant to do and has been—we have been working on.

And, you know, since the expiration of the initial authorization Congress had continued to fund this program, which we are very—we are very much appreciative of, the thousands of small communities that rely on this technical assistance are appreciative of.

You know, I might point out that it has been sort of somewhat distressing to us the EPA has never included this funding within their own budget and it has fallen on the National Rural Water Association and my organization to come to Congress to sort of have these funds appropriated every year.

At the same time, EPA, and Mr. Mayfield was sort of alluding to this in a way but I will say it more directly, EPA has spent a lot of money on developing a variety of tools and programs that are meant to help small communities but which I think in large part have been of marginal usefulness to these small communities.

You know, so one thing I want to talk about, which is—I don't think it is probably under discussion here at all but why—you

know, what is the need for on the ground kind of assistance that RCAP and National Rural Water Association provides.

You know, we have heard about the lack of staffing. Typically, you have volunteer staff in these small communities, people that might be working part time.

Many times there is a lack of expertise in meeting the kind of regulatory requirements that these systems fall under in regard to the operations and the compliance.

There is a real difficulty in accessing existing financing sources.

Whether that is due to the EPA's State revolving funds or the rural development's water environment program, it is just—it requires a lot of sophistication in order to understand that they are there, access those fundings, meet all the requirements and then carry through a construction project.

There is also just a variety of issues just in managing a small water utility. This is just like any other business you might come across except it exists in a heavily regulated environment.

And you combine providing a public service, heavily regulated environment, lack of resources, it is just very difficult for small systems—small community systems—to sort of meet all these requirements without some additional kind of training and technical assistance such as the legislation that we are considering here provides.

The needs are many, as I said before, and I understand the resources are few, and I think any time we have a chance to direct the resources to where it is needed the most you are going to see NRWA and RCAP being in support of that and I think that is what this does.

There are a lot of opportunities that we have heard mentioned. I know Mr. Tonko mentioned a couple of these things. You know, regionalization in small communities is something we really need to see.

We need to sort of be in a mode of sharing resources and working together. As you all know, there are 5,600 thousand community water systems in this country. It is just how many electric utilities are there.

You know, I mean, hardly any compared to the tens of thousands of small water systems there are. But the needs, again, you know, emergency preparedness—we have heard about these—a drought, training and equipping operators in small systems, a budget and rate setting, you know, accessing informational resources.

You know, there is just this whole litany of needs that small communities have a real difficult time meeting whereas when you look at the larger utilities they will have professional engineers on staff, CPAs on staff, planners on staff.

And in a small utility like Mr. Mayfield was referring to specifically, it is usually one person that has, you know, 10 different jobs.

And so it has been really tough and so I just welcome the opportunity to talk more about this. I am going to end it here because hopefully you all have some questions that I can answer and I am sure Mr. Mayfield and I would be happy to answer any questions you might have.

Thank you.

[The statement of Mr. Stewart follows:]

Testimony to the

Subcommittee on Environment and the Economy

Committee on Energy and Commerce

United States House of Representatives

On

Technical Assistance for Rural Water Systems: S. 611, The Grassroots Rural and Small Community Water Systems Assistance Act

Mr. Robert Stewart
Executive Director
Rural Community Assistance Partnership

October 22, 2015

Summary

Small and rural drinking water systems constitute nearly 85% of the 53,000 community water systems in America. With limited staffing and ongoing issues related to compliance with the Safe Drinking Water Act (SDWA), effective sustainable management and access to capital for improvements and repairs, these systems continue to have the highest violations of the Safe Drinking Water Act. Small water systems need increased levels of and access to training and technical assistance that allows them to protect public health and remain in compliance with the SDWA. Limited financial resources require that technical assistance be provided by non-profit organizations that can deliver the wide range of assistance required by small communities. Preference should be given to organizations that have staffing and existing supportive infrastructure in every state. The most effective technical assistance programs place an experienced professional at the utility to provide guidance and support on not only technical or operational issues but also on managerial and financial issues that directly impact operations and compliance. Robust training programs are also needed to educate operators, managers and the governing body concerning their responsibilities and how best to operate and manage a small utility under a regulatory environment. Trainings need to be on-site, or within a localized area for easy access by the utility. Training tools and operational programs must be developed in order that they can be easily assimilated by small systems.

Introduction

Thank you, Chairman Shimkus, Ranking Member Tonko, and members of the subcommittee, for this opportunity to address The "Grassroots Rural and Small Community Water Systems Assistance Act". In my thirty years of work in the rural utility field, including twenty years in my home State of Texas, and now managing a nation-wide rural community development organization, I have experienced firsthand the efficacy of providing targeted and onsite technical assistance to small community water systems by trained professionals. Small community water systems typically lack the staff and resources needed to ensure that the water they deliver to their customers is adequate in both quantity and quality. Economies of scale work against these small communities requiring them to rely on various outside sources of technical assistance and training necessary to manage and operate water utilities that are vital to community health and economic prosperity. Any federal funding that is made available for the purpose of assisting rural and small communities must be targeted to meet the greatest needs and be delivered by trained professionals working within each state.

My name is Robert Stewart, and I am the Executive Director of the Rural Community Assistance Partnership (RCAP). RCAP is a non-profit national network of regional service providers that for over 40 years has helped small, low-income, rural communities address water, wastewater, and other community development needs in all 50 states, Puerto Rico, and the Virgin Islands. Our team of community assistance providers delivers onsite training and technical assistance to small water and wastewater systems to help them meet regulatory requirements, finance and manage capital

improvement projects and to develop and sustain technical, managerial, and financial capacities.

For many years, the RCAP network has worked with the Environmental Protection Agency and USDA's Rural Development as well as state primacy and infrastructure funding agencies to ensure that critical financing, technical assistance and comprehensive training opportunities are made available to small rural drinking water systems. RCAP not only assists rural communities with funding applications and every phase of the project planning and development process, but also provides training and technical assistance after construction is complete, helping communities understand how to properly manage and operate their system in a fiscally sustainable manner. Every year the RCAP network helps roughly 2,000 rural communities address their water and wastewater needs.

Providing these basic services is a challenge for many rural communities. Rural residents are three times more likely than their urban counterparts to lack water and sanitation; they also typically pay nearly three times the amount for water and sewer services. Due to their limited customer base, small utilities lack the economies of scale that reduce the costs of infrastructure construction, operation, and maintenance to levels that are affordable to low-income residents.

Technical Assistance and Training under Section 1442(e) of the 1996 Amendments to the Safe Drinking Water Act (SDWA)

The 1996 Amendments to the SDWA included Section 1442(e) as a means to assist small public water systems in meeting increased regulatory requirements. With no economies of scale, less access to capital, and fewer professional staff, small and rural water systems were at a distinct disadvantage in comparison to larger and more urbanized water systems. Operating a small utility under existing regulatory requirements was already difficult for these small communities prior to the 1996 Amendments. New drinking water quality standards placed additional compliance burdens on these systems. The technical assistance section provided a very modest amount of funding to provide some relief by creating a program that supported outreach efforts directed at compliance with national primary drinking water regulations.

Small water utilities needed this increased access to technical assistance resources and training programs to operate in accordance with regulatory requirements, to enable them to evaluate and obtain capital financing and to cost-effectively manage their utility. Small city council or water district directors are most often volunteers who lack professional staff and the resources to understand complex regulatory requirements and to find out what funding sources are available and the requirements for accessing loan and grant programs. Small and very small systems (depending on their size) typically employ a single certified water operator who is responsible for all operations, maintenance and repair of the utility's treatment plant and distribution system. These professionals are typically overworked and underpaid and the majority is nearing retirement age. My experience has been that these operators are extremely dedicated to

their work and will do everything possible to ensure that their customers receive uninterrupted water service that meets all requirements. However, new federal rules such as the Revised Total Chloroform Rule place additional demands on operators who must learn about this rule and apply it to their utility. On-site technical assistance provides these operators with the guidance and support they need to meet operational requirements and ensure public health. In almost all cases the only way this assistance is provided is through on-site assistance provided by RCAP's Technical Assistance Providers (TAPS) or by state rural water associations' Circuit Riders. On-site assistance is also needed to help the utility manage their business and financial affairs. Preparing budgets, conducting rate studies, developing Operation and Maintenance manuals, preparing customer service policies, and many other similar requirements are extremely difficult for these small utilities. TAPS and circuit riders provide the tools, the expertise, and the guidance to help small utilities with these programs.

The authorization for technical assistance funding under Section 1442(e) has long since expired and this present legislation will extend that authorization for an additional five years. The amount authorized in the 1996 Amendments, $15 million a year, has never been included in the administration's budget requiring Congress to add an amount ($12.7 million in recent years) in their appropriations. Once appropriated, EPA has used these funds over the last several years to create four separate competitive programs targeted at (1) Compliance, (2) Management and Financial Issues, (3) Small Community Wastewater and On-Site Systems and (4) a Private Water Well owners program. In RCAP's experience, this approach has over-emphasized improving operations to achieve compliance when in reality the underlying cause of compliance

failures is due to management and finance issues within the utility. Knowing how to treat for arsenic is well and good in and of itself but without the ability to access financing sources and manage construction projects that provide adequate treatment, a small utility will remain out of compliance. A lack of capacity to budget and set reasonable and equitable rates results, for instance, in an inability to hire certified operators and provide him/her with the equipment needed to properly operate, maintain and repair the system. All of the systems I have worked with or that my staff work with across this country are staffed with some of the most dedicated and hard-working people you will ever find. They are committed to providing the best service possible to their customers but they often lack the knowledge or expertise that can be developed through on-site assistance programs.

The legislation under consideration not only reauthorizes the technical assistance section of the SDWA it also directs the EPA Administrator to provide grants or cooperative agreements to appropriate nonprofit organizations. National nonprofit organizations such as RCAP and the National Rural Water Association are the most qualified in providing this type of assistance as both organizations have staff in every state that can deliver these needed services effectively and efficiently. When designing these programs EPA should be required not only to use their best judgment in determining priority needs of small systems but should also consult with state primacy agencies, existing technical assistance providers and circuit riders, water industry professionals and the small utilities themselves. RCAP typically works directly with approximately 2,000 small systems every year yet this expertise is infrequently used in the design of technical assistance outreach programs whether these programs are carried

out by non-profits, for-profits funded by EPA or by the Agency itself. Congressional attempts, such as this legislation, to direct limited technical assistance funding to the best qualified nonprofit organizations and for the purposes most in keeping with the goals of the SDWA are supported by RCAP.

Mr. SHIMKUS. Thank you, Mr. Stewart.

Before we get to questions for our witnesses, I would ask unanimous consent that all members of the subcommittee have 5 legislative days to submit an opening statement on this hearing into the record.

Also a written statement from the U.S. EPA on the subject of today's hearing will be included in the record and a written statement from the American Water Works Association on the subject of this hearing be included in the record if it is submitted to the committee by the end of the week.

Without objection, so ordered.

[The information appears at the conclusion of the hearing.]

And will recognize myself 5 minutes to start the questioning and this is for both of you and then we will go to Mr. Mayfield and Mr. Stewart.

What is the role of technical assistance through the Safe Drinking Water Act in helping you comply with the law and avoid adverse public health impacts?

Mr. MAYFIELD. Our technical assistance through our circuit rider program we go out and help these systems. It doesn't matter if it is technical, managerial or financial. We respond to these systems and these water systems—these operators look up to us to keep them updated on what the new Federal rules and regulations are.

So we are constantly doing training and even on-site training when we go and we are training them on what the new regulations are and how to meet them.

Mr. SHIMKUS. Mr. Stewart.

Mr. STEWART. Yes, I totally agree. I think the small water systems, when they are faced with the new rules like there is a revised Total Coliform Rule, which is unbelievably long and hard to digest, you know, if you have someone that it out there on site than can explain that to them probably in 10 or 15 minutes as opposed to spending hours trying to wade through a regulation or call somebody to try to get that information.

So I think the technical assistance under the Safe Drinking Water Act is meant for compliance purposes. So that is the bottom line.

One thing, I think, and this was just mentioned, that I think we need to keep in mind is that compliance is not just a function of being able to operate the system.

It is a function of also being able to finance and manage that utility and sometimes I have had the impression that that has not been EPA's priority.

EPA's priority as far as where they are putting the money that you have appropriated has been strictly on the operations and compliance end and somewhat neglecting the foundation of all utilities, all businesses and that is to have sustainable management financing in place.

Mr. SHIMKUS. Great. Thank you.

How is the—how is the uncertainty, which we are living in right now, over funding or use of technical assistance provided under the Safe Drinking Water Act Section 1442(e) affected your organization?

Mr. Mayfield.

Mr. MAYFIELD. With Mississippi Rural Water, it has affected us with a reduction of staff. We have had to lay off two of our staff members that was funded under this program.

We are trying to keep our services up but sometimes it is difficult.

Mr. SHIMKUS. Mr. Stewart, do you want to add to that?

Mr. STEWART. You are referring to my organization or the——

Mr. SHIMKUS. Well, no. Just to the organizations like Mr. Mayfield. What is the observation of the effect on them?

Mr. STEWART. Yes. I think what happens is that if they don't have this kind of assistance they are going to fall out of compliance.

They are not going to be able to pay their bills. They are not managing their utility correctly and what does that cause? That causes more problems for the State regulators.

And so, I mean, a small investment in technical assistance and outreach that we are talking about here prevents a large amount of money being spent by the States to enforce the rules, you know, send out administrative orders, you know, follow up on that.

I mean, it is a whole lot better to spend a little money to sort of keep a system from going out of compliance than it is to get them back into compliance.

Mr. SHIMKUS. Thank you.

And my last question for you, Mr. Stewart, do you hope that Senate Bill 611 will streamline the way EPA currently implements Section 1442(e) of the Safe Drinking Water Act?

Mr. STEWART. My honest answer would be no, and that is just because on reflection of how they used—how they have used the money in the past that has been appropriated for this purpose.

They have taken a long time to get this money out to the successful people that are competing, which has typically been rural water and RCAP.

They have taken typically a year and a half from the time the appropriations is until the money actually flows to our organizations when we have been successful in competing for this funding.

And they have also—and I don't want to repeat what I already said but there is also this emphasis on the money just to go strictly to a compliance operational approach and not what we really need.

They are all the same. It is like a three-legged stool, right? I mean, if you don't have the operations, you don't have the finance, you don't have the management all together supporting the utility then it is going to fall.

Mr. SHIMKUS. So I think you are saying you would like for this to help streamline the process?

Mr. STEWART. Yes.

Mr. SHIMKUS. OK.

Mr. STEWART. And, excuse me, sir. I think it will. I think it will provide some help and some additional direction and that is, you know—because it is sort of—you know, this could be used by nonprofit organizations for certain purposes and for activities that are supported and needed by the small communities.

Mr. SHIMKUS. Great. Thank you very much.

I yield back my time and now recognize the ranking member of the subcommittee, Mr. Tonko, for 5 minutes.

Mr. TONKO. Thank you again, Chair Shimkus, for calling this hearing and I also want to, again, thank my colleague, Mr. Harper, for the work that he has done on this important issue.

Drinking water systems in every congressional district are facing significant challenges as they work to ensure everyone, even people in small communities, have access to safe drinking water.

It seems that every week we read about water supply problems, water main breaks or other events that disrupt our drinking water supplies and services.

Mr. Stewart, much of our drinking water infrastructure is decades old and in need of repair or replacement. That is as true for small communities as for large ones.

Your testimony emphasizes the need for technical assistance in applying for funds as well as for dealing with finance and management issues.

When small systems need infrastructure repairs or replacement, is it just a matter of not knowing how to access funds or is there also a need to make additional funding resources available?

Mr. STEWART. I think it is both because if you can't access the existing funding then that funding is going to go to the larger communities. The small communities just have a hard time accessing that funding just because of the requirements associated with those.

But I don't think there is any doubt. I mean, you quoted EPA studies. There has been AWWA studies. There has been the engineering organizations which have done studies, and it is an unfunded need.

We definitely need in this country more money to be invested in water utilities urban and rural.

Mr. TONKO. Thank you, and how would a small system obtain immediate funding needed for emergency repairs when they experience a major problem with their infrastructure or with their source water?

Mr. STEWART. Well, one thing my organization has done—I know rural water has done some of this as well—we have six regions around the country and two of our regions operate a nationwide loan fund.

So if somebody needs money within a small amount of time, we have been able to capitalize loan funds from a variety of sources, typically foundations, rural development and other sources.

So that—so that if there is a—if there is like a tank failure or a pump failure and somebody needs money immediately it is really hard to go to a community bank and get that kind of funding. So they can come to our revolving loan funds for that funding and we turn it around in a couple of weeks.

Whereas if you try to go to rural development or the SRS you are looking at months and months and months. It just doesn't work.

Mr. TONKO. Thank you.

The technical assistance programs have been funded in the range of $12 to $15 million for a number of years now, this year at, I believe, $12.7 million.

There are over 48,000 small systems across our country and these systems, indeed, are aging. So it seems to me that while this

core funding is useful, inflation alone would suggest that a higher authorization for funding should at least be considered.

So I would ask both of our witnesses, both gentlemen, would a more generous funding level enable your organizations to better meet the needs of small utilities?

Mr. MAYFIELD. Yes, very much so it would. You know, we see the funding levels be real competitive when our systems, especially our smaller systems, have to go after the funding and you got some larger systems out there after the same funding. It is real competitive and having more funding would be a—help a whole lot better.

Mr. TONKO. And you point out in your testimony that in addition to technical assistance, small systems also have difficulty getting access to capital.

So I assume that loans are not an option for many of these small systems and with a small rate base for further increases in water and sewer rates, it isn't a feasible option either.

It seems to me we need to provide additional funds to enable these systems to repair and replace older infrastructure. Would you agree?

Mr. MAYFIELD. I agree with that.

Mr. TONKO. And would you support legislation to reauthorize the SRF and increase the funding available?

Mr. MAYFIELD. Yes.

Mr. TONKO. Would greater funding for both the SRF and technical assistance be put to good use in these systems?

Mr. MAYFIELD. Very much so it would.

Mr. TONKO. Both of your organizations offer training and certification programs for small system operators. Is that correct?

Mr. MAYFIELD. That is correct.

Mr. TONKO. And I have heard from several of my small water utilities that they are having a difficult time recruiting and retaining people to operate these systems and that many current operators are approaching retirement age. So the backup supply is of a concern.

Are there also workforce issues that we need to be concerned about, from your perspective?

Mr. MAYFIELD. We do see that. The aging workforce, we have seen lots of operators will be retiring in the near future and not many young people coming up and, you know, National Rural Water has been looking at it for several years now how we could recruit more young people into the organization.

Mr. TONKO. Now, do you think perhaps the lack of available pool of trained people, skilled people, interested people might be because we have ignored this issue?

Mr. MAYFIELD. Yes, sir. I sure do.

Mr. TONKO. OK. Well, look, I appreciate your testimony and your support for the legislation. I hope to continue to work with my colleagues on both sides of the aisle to address the other challenges our drinking water systems face and certainly with your very important input too. So thank you again for appearing before the subcommittee today.

With that, I yield back.

Mr. SHIMKUS. Gentleman's time has expired.

Chair now recognizes the vice chair of the committee, Mr. Harper, for 5 minutes.

Mr. HARPER. Thank you, Mr. Chairman.

And again thanks to you, Mr. Stewart, Mr. Mayfield, for being here. This is an issue that affects every community and our country.

Mr. Mayfield, how many local water associations are part of your organization?

Mr. MAYFIELD. There are 1,250 public utilities in the State of Mississippi and we have a 1,057 as our members. Of course, we still go help the ones that is not members, too.

Mr. HARPER. So it is—it is quite a responsibility then, isn't it?

Mr. MAYFIELD. Yes, sir. It really is.

Mr. HARPER. Would you give maybe a specific example or two of the technical assistance that you provide to those association members?

Mr. MAYFIELD. Would love to.

In the Mississippi Delta where the poverty is real low, we have a little town called Shaw, Mississippi, up there. Shaw, Mississippi's chlorination equipment went down at one time. They could not provide the chlorination or the chlorine into the water so they just quit putting chlorine into the water.

Then their electrical control panels on their wells went down so they were having to go out there every day to turn the well on, fill the tank up, and just hope it stayed full.

And this went on for about 3 months. The primacy agency put them under a boil water notice and then we finally got the call to go up there, and our circuit rider went in and it was just something the matter that was wrong with the chlorination equipment.

He got the chlorination equipment up and going. Went over to the wells and tanks and got the electrical control panel going and then he stayed with them to be sure they could pull some clear water samples. They got chlorine in the water.

This town was having to buy bottled water for their school every day for three months there and this circuit rider come in. Within just a matter of a few days, had this system back into compliance and up and running.

Mr. HARPER. That is great.

Mr. MAYFIELD. That is just one of the many cases. In Wayne County, I mean, near Waynesboro, Mississippi, back last spring when we had a series of storms go through our State, one of our systems had a creek crossing blow out in the river over there.

Well, the operator of this system had cancer and had been sent to Houston for treatment and so when this creek crossing blowed out the board members had to take it on their own with what few employees—really, meter readers, basically—didn't know where everything was and they searched for that leak for two days.

They called our—called our office and I sent our circuit rider over there. Within about 4 hours he had to leave town in the creek.

But not only did he find the leak, he realized that without their operator there how desperate they was during this time. He stayed right there with them all day and almost night until they got the water fixed and back up and running.

Mr. HARPER. That is great. And how many circuit riders do you have?

Mr. MAYFIELD. We have 3 circuit riders in Mississippi.

Mr. HARPER. So they are pretty busy folks then, aren't they?

Mr. MAYFIELD. Ninety-five to 97 percent of their time is for calls only now.

Mr. HARPER. Got it.

Mr. MAYFIELD. They are working calls.

Mr. HARPER. Got it. Well, why can't State regulators or EPA provide technical assistance for the regulations that they impose on communities?

Mr. MAYFIELD. The primacy agencies, you know, their men and women are engineers coming out of college. To be a circuit rider one of the national requirements is that you have a minimum of 5 years' experience actually out operating a system.

So our circuit riders can go out there and talk to these guys, men and women, just like they know everything going on. They have the hands-on experience of getting in that mud hole, fixing that leak, where these coming out of college does not have that experience. And it gives the operator as well as the circuit rider—they bond a lot closer together being there.

Mr. HARPER. That is great.

We had a hearing earlier in the year, and some of your colleagues from Mississippi testified that of all the billions of dollars that Congress provides to the Federal agencies for environmental programs, the only technical assistance that small and rural communities see and utilize is the assistance from these on-site circuit riders.

Please explain a little more what they meant by that.

Mr. MAYFIELD. When these systems have a problem, we are the first call they make. I know you are from Mississippi and you have seen it advertised on TV, one call that is all. In the water business that is rural water.

That is the circuit riders. We are a one-stop shop. If they need technical managerial financial help we go in and help them.

We have went in, done great studies to where these systems have set there on their rates for years and years and not raised their rates and go in and help them get the rates at the right level and then they move forward from there.

Mr. HARPER. You know, we just recognized the tenth anniversary of Hurricane Katrina, and I know my time is almost up. But just briefly tell what you went through after that and what service you provided for those areas affected after Hurricane Katrina and other hurricanes.

Mr. MAYFIELD. That is a good question. Hurricane Katrina was something that none of us was prepared for but through the proper training we was ready for it.

Our water, as most of you know, much of the State of Mississippi was devastated by Hurricane Katrina. Within 5 to 6 days, 99 percent of our water systems was back up and running and this was due to the help of Rural Water and those operators having the proper training through this program here, training on how to react when something like this happens.

Rural Water jumped in and we got the easy systems up going, then we moved further south and we helped systems locate lines, locate leaks, fix leaks.

We brought crews in from all over the State and other States. Florida, Louisiana, Arkansas sent crews in and we stayed with Cedar Bay, St. Louis, some of the coastal towns for up to four to five weeks staff training.

Mr. HARPER. Thank you, Mr. Mayfield. I appreciate it.

My time is up but thank you so much for what you do and mean to our State. Thank you. I yield back.

Mr. SHIMKUS. Gentleman yields back the time.

The Chair now recognizes ranking member of the full committee, Mr. Pallone, for 5 minutes.

Mr. PALLONE. Thank you, Mr. Chairman.

As I said before, the bill before us is a small step forward on drinking water issues by reauthorizing technical assistance for small drinking water systems and I appreciate our ranking member and chairman who are working on this issue.

But I think it is unfortunate that we are considering the Senate language instead of similar language authored by Mr. Tonko to reauthorize this program because some of the terms in the Senate bill are unclear.

Hopefully, we can use this time to build the legislative history on this bill and clarify the legislation.

For example, in Section 4 paragraph 8 of S. 611, EPA is instructed to give priority to nonprofit organizations that are the most experienced. Similar language in Mr. Tonko's legislation would have given priority to the most effective organization. I think these terms are intended to be synonymous and we all agree that the money should go to the most effective organizations.

Mr. Mayfield, I wanted to ask you would you say that the NRWA is effective because of its extensive experience?

Mr. MAYFIELD. Yes, sir.

NRWA is a nationwide program and like I said earlier, all of our people has a minimum of at least 5 years' experience working in the field with all these systems. So I think we are very experienced at it.

Mr. PALLONE. Thank you.

Mr. Stewart, do you agree that RCAP's experience in this area helps your organization be effective?

Mr. STEWART. I don't think there is any doubt about it. But when you are talking about experience and whether or not that experience is effective or not, small utilities need a wide variety of expertise in order to help them.

You know, again, it is not just an operational issue about how to operate. You know, a lot of times they need somebody with the kind of background in accessing financing sources, budgeting, rate setting in order to get their financial situation in place.

But one thing, I think, that—regardless, you know, I would hope Congress would look upon nonprofit organizations such as RCAP and National Rural Water Association as the best means to provide this assistance because in part we have people on ground—on the ground in every single State. There are other people that have been doing this work who may address a part of the need.

But having the people on the ground with the experience and the expertise is the most effective way to do this.

Mr. PALLONE. All right. Thanks.

I am mostly concerned that the bill could be interpreted as requiring EPA to conduct surveys in each of the States and territories to measure support for different nonprofit that might receive funds, and this would consume time and resources with little benefit.

So Mr. Stewart, do you believe that EPA should be required to survey water systems in each State to determine which organizations provide the most beneficial services?

Mr. STEWART. I would say not. I think EPA is aware of the organizations that provide the best service and that having to do a survey would just reiterate and reinforce what they already know.

Mr. PALLONE. Do you agree, Mr. Mayfield?

Mr. MAYFIELD. I would say not.

I would say that that should be left up to the organization presenting the proposal to EPA to explain to EPA how they are the most beneficial and provide the evidence.

Mr. PALLONE. All right.

And the last thing I wanted to ask you is I am concerned that neither the existing statute nor the bill before us lists specific areas of technical assistance that would qualify for this funding.

Can you—I will ask both of you—give the subcommittee a sense of the range of activities that you carry out with this funding? Each of you, if you would.

Mr. STEWART. Well, it has varied over the years because what EPA has done is they have separated out a compliance section, a management finance section, a wastewater section and a private water well owner section. So and both NRWA and RCAP has gotten different pieces of this funding over the years.

On the operational end, it has been very frustrating for me because we are constrained in not being able to provide management and finance assistance that supports the operational needs.

You know, so what we have done—you know, we—it is basically a compliance driven thing, like, how do you meet the revised Total Coliform Rule, how do you come into compliance with the ground water rule.

Well, that is all well and good but if you have, like, an arsenic problem that you are treating for the only way to come into compliance is to go through a financing arrangement where you are looking for funding to sort of, you know, provide the treatment—to get the money to provide the treatment.

So that has been my frustration with the approach the EPA has used. You know, they obviously take the money that Congress provides and what they do with that money I don't think always is reflective of the intent of Congress.

Mr. PALLONE. Mr. Mayfield.

Mr. MAYFIELD. We provide training and technical assistance and, you know, when we talk about technical assistance, like I said earlier, it is not just about the day to day operations in technical assistance.

So, for instance, December 23rd in Marion County, Mississippi, a tornado went through Columbia. We—I had my people to verify

with Columbia they was OK and Columbia came back and told us they were OK, everything was up and good and running.

At 2:30 a.m. on Christmas Eve morning we get a call that the generator at Columbia had went down and they are at the hospital sitting right next to the treatment plant and they inform me when they call me at 2:30 a.m. that morning that we got 2 hours of water supply left for this hospital—what can you do to help us.

We jumped into action and at 4:45 a.m. that morning we had the generator hooked up and was pumping water. So it is about being there when you are needed, 24 hours a day, 7 days a week.

Mr. PALLONE. Thank you.

Thank you, Mr. Chairman.

Mr. SHIMKUS. Gentleman yields back his time.

Chair now recognizes the gentleman from West Virginia, Mr. McKinley, for 5 minutes.

Mr. MCKINLEY. Thank you, Mr. Chairman, for the opportunity to have a discussion on this subject and I am pleased to be one of the cosponsors of the legislation that we have.

I represent in West Virginia another—just like you, Mr. Mayfield—a rural impoverished State that struggles. We have the highest rate of unemployment.

We have the second lowest per capita income in my district. I don't have—I have two cities that have 30,000 people. Other than that, every community is smaller than that. Some—I have got one community that only has 500 people, a seasonal community that maybe can grow to 2,000 during the winter. And they had a little problem.

Here is a—here is a water line that they tried for 10 years to get funds for and it only has the ability to pass maybe about 22 percent of the water through that line. But they can't get money.

So I applaud this effort to try to get more technical assistance but I am—but I am wondering if we are chasing the wrong rabbit.

I mean, it is good to get this, to get people lined up in the queue to get money. But we got to get the money. We got to have more money at the other end.

The State revolving fund has been used as a pawn and I know in 2013 the president in his budget slashed almost 50 percent out of the money, out of the SRO.

And if it weren't for members on the other side of the aisle when working with the Appropriations Committee we were able to get that money restored.

But I don't know whether the administration and other people within the groups actually feel the need for rural America with the problems we have with us because this was done not with any—well, not dime of Federal money.

They finally had to get the State to step in because everyone was saying there was just no Federal money. We can't do it because you are such a small community.

I have got another community that has 75 families, that they get their—they have to get bottled water and they have been doing it for 2 years. They get their potable water so that they can flush their toilets out of a creek.

These are middle-income people that have homes that are $150,000 to $200,000 in value, and they can't sell their home. Who is going to buy a home that doesn't have water to it?

So I am very concerned about this. I want this legislation to pass. But I am equally and even more so concerned that we are giving false hope to people, get people in the queue to get money but there is no money because the allocation in the administration or whatever the programs are they are not funding it into rural communities to be able to help out on that.

I know it. All the words sound right but in the real world I think as we live in, small communities aren't getting that money.

And so what would you do then to help refocus this so that this administration or any administration can understand the hardship that is incurring on small towns, these little communities of 500 or 1,000 people? What would you do to get more money into that account?

Mr. MAYFIELD. Well, I think that is something that we need to sit down and take a long look at, that the smaller systems gets more—is looked at more then they can be as competitive as the larger systems are.

Let me just——

Mr. MCKINLEY. Would you agree that one of the—but one of the criteria they always say is where is your matching money. But a small town of 500 can't come up with that matching money.

They have—I have got a community that has to come up with $12.5 million. What are they going to do? They only have 550 customers.

Mr. MAYFIELD. That is right. And there, again, at some point in time, that is where consolidation and merging may have to come into the picture when these smaller towns cannot come up with this matching money.

Mr. STEWART. Honestly, there is no doubt that the water utilities in this country are under invested and it is not just the EPA SRF programs. It is Rural Development Water and Environment programs. They need more funding because you can't have one without the other. You need the technical assistance.

One thing—for EPA's credit and Rural Development also is that they have been stressing just like our two organizations have for 40 years, asset management. You know, how do you take care of the equipment, the facilities that you have.

And so EPA has been pushing on that, both of our organizations have been pushing on that to sort of, you know, maintain that investment, you know, once it is actually made.

But if you don't make the investment and as we know this country is still growing, you know, and there are still needs that haven't been met. There is people in your State and in many other States that don't even have community water systems that are hauling water.

And without that kind of investment those people are never going to get community water systems.

So I think both NRWA and RCAP—I can't speak for NRWA. RCAP definitely supports increased funding for the SRF programs and the water environment program.

Mr. MCKINLEY. I have run out of time, but can you just give me an idea of what kind of money should we be spending, knowing that the SRF is just one amount and there are other sources? What kind of money should we be spending annually?

Mr. STEWART. That is a tough one because, I mean, as we have heard, the needs are so great. The needs are in the trillions.

I mean, an incremental increase, I mean, even if it was just 10 percent a year in each of those two programs, I mean, something to start making a dent in the backlog that we have seen anything would help.

Mr. MCKINLEY. Would you agree?

Mr. MAYFIELD. I totally agree.

Mr. MCKINLEY. Thank you. I yield back my time.

Mr. SHIMKUS. Gentleman's time has expired.

Chair now recognizes the gentleman from Texas, Mr. Green, for 5 minutes.

Mr. GREEN. Thank you, Mr. Chairman, for calling the hearing as part of the subcommittee's ongoing work on drinking water issues.

Safe drinking water is a serious issue in our district as it is likely for every member of this subcommittee. Small and rural water systems face a number of very serious challenges and do not have the customer base to finance serious infrastructure repairs they need.

Customers of public water systems in the country should be able to count on safety of the water coming out of their taps whether they live in a rural area, cities or suburbs.

My question to the panelists, first of all, I have a very urban area but I also represent an unincorporated area that will not be annexed by our major cities because the property wealth is so low it would cost more to serve those areas with streets and water and sewer than it is to—so they are actually hemmed in by cities.

And we have been able in the past to use assistance with matching funds to be able to bring down some of—from—for even very small urban water systems.

How can consolidation help small and rural water systems, for example, in whether it be a rural area like Mississippi or even in an urban area like I have?

Mr. MAYFIELD. You get more customer base, therefore you keep your rates as low as you can and more customers actually can help pay those loans and grants that you receive.

I would like to, if I could, just step back just a quick second on technical assistance. When we are talking about technical assistance, one thing that is real good about our technical assistance providers, these men and women stay up on the latest technology out there, and when these towns, like you are talking about does go for loans and grants the engineer gives them a preliminary engineer report.

Now, lots of times our circuit riders can sit down with these towns and look at this preliminary engineer report and say look, there is a cheaper and better way to do it.

So we need to get these technical assistance providers working with these towns and cities on a case by case basis when it comes to these loans and grants.

Mr. STEWART. Mr. Green, if I can just make a comment, and since Texas is my home State, as you know water availability is a big issue in Texas and if you have small communities that can come together and that can access either service or ground water, I mean, you have a much better chance of doing that, and we have always tried to get the cities—even if you are not annexing you can perhaps provide wholesale water or just do water and wastewater services in those areas by extending their CCNs.

Mr. GREEN. Well, our situation we have done that. City of Houston has been able to—of course, you have to bring money to the table to make sure the city taxpayers are not doing it, but they would sell the water.

Of course, in our area we still use ground water but mostly it is surface water because it is decided for the last 60 years and flooding issues.

Mr. Stewart, when you testified before the subcommittee in February you mentioned several alternative service delivery approaches including sharing services, cooperative operations and management consolidation. How can these alternative approaches help small systems achieve better compliance? Is it—is there some bureaucratic rule that you can't do it or is it just a matter of——

Mr. STEWART. No, I think it is a matter of having somebody that is facilitating getting multiple communities to work together, you know, so that—so that, you know, maybe you have two or three communities that are close enough and they can share an operator instead of hiring their own, you know.

But sometimes, even though water systems are pretty good about knowing what is going on in their counties and stuff, you know, if you have somebody that can sort of facilitate those kind of sharing of service arrangements, I think that can make a big difference.

Mr. GREEN. OK. Last Congress, our subcommittee introduced legislation, the AQUA Act, that would expand the definition of restricting for the SRF, the State revolving fund program, to explicitly include cooperative partnerships and joint personal agreements and consolidation.

Mr. Stewart, would you support that change?

Mr. STEWART. Yes, very much so. Yes.

Mr. GREEN. And, again, in Texas there are challenges confronting water systems in my own State that are unique compared to other States, although I would compare some of my rural areas in east Texas with Mississippi—same problems.

Are there differences and challenges confronting rural water systems and small systems in urbanized areas like that are found in my north and east Houston—Harris County area—between a rural system and an urban system?

Mr. STEWART. Well, you know, the economies of scale, like Mr. Mayfield and a couple have mentioned, are one issue. You know, part of the problem with small communities is just—can be availability of water, as you know, and I know in the Houston area, you know, you are getting off ground water and going to surface water, which is necessary. But——

Mr. GREEN. Well, and most of the surface water we are getting is owned by the city of Houston, by the way.

Mr. STEWART. Yes. So you are just at a—I hate to say, a competitive disadvantage if you are a small system and you are looking for water rights or for access to groundwater resources. You are just at a disadvantage, no doubt.

Mr. GREEN. Thank you, Mr. Chairman, for the testimony and our witnesses.

Mr. SHIMKUS. Gentleman yields back his time.

We are waiting for Mr. McNerney to rapidly get here. So what I would like to just mention without objection is just talk about our push in southern Illinois to really encourage a lot of systems to move into a regional system—rural water, USDA rural water.

It has been very successful because what I have observed is older systems, new regulations, small community, small rate based—as all the things that have been mentioned here, there is no ability to borrow the money, pay the rates.

And so only through encouraging over time, you know, respectfully that most of my—most of my areas we are starting to close gaps in systems so that—and then the important thing is to make sure that we have clean potable water for our—my constituents and stuff and that has been—it has been a very, very successful program that we have worked on. It is very gratifying. It has been one of the things that I have been most proud of.

This kind of untold story is when you can get safe drinking water to people who really haven't had or who have had to haul it for a time. So I am filibustering.

Anyone want to add to that issue? We have kind of talked about it. Mr. Stewart.

Mr. STEWART. Yes. Again, I think that, you know, in support of technical assistance, in order to facilitate regionalization you need somebody on the ground that can work with multiple communities that knows all about the finance management and technical aspects of it and that can think about different opportunities for communities to work together because, as you know, Chairman, this is not necessarily a physical consolidation.

Maybe it is a managerial consolidation over multiple satellite systems. You know, again, for lack of a better word, there is more efficiencies. But, you know, if you are operating a small system and you are just trying to make the water come—you know, come out of the pipe every day, you have a hard time looking forward, you know, a year in advance of what you need to be doing.

Mr. SHIMKUS. Thank you very much.

And I think the Chair is going to recognize my colleague and friend, obviously, since I waited for him, the gentleman from California, Mr. McNerney, for 5 minutes.

Mr. MCNERNEY. Well, I thank the chairman for your patience and I thank the witnesses.

Mr. Mayfield, it sounds like the circuit rider is a pretty interesting job. You get to go around and see different things just about every day.

Mr. MAYFIELD. A new experience every day.

Mr. MCNERNEY. But that is a State-funded organization? You don't get any money from the Federal Government about that?

Mr. MAYFIELD. We do get some money from USDA for the circuit rider program.

Mr. MCNERNEY. So they are helpful then. But this proposed legislation would help that then?

Mr. MAYFIELD. That is correct.

Mr. MCNERNEY. Good.

Mr. Stewart, I get the impression that you feel the EPA is well-meaning in terms of its new regulations. It is going to make water safer and, in fact, also well meaning in terms of trying to provide assistance. But they kind of miss the mark in their intention. Is that right?

Mr. STEWART. Yes, sir.

I believe that they could be better—they could better direct the kind of resources for where the needs are the greatest.

Mr. MCNERNEY. Would the proposed legislation help?

Mr. STEWART. I think that is a—this is a great first step in that direction.

Mr. MCNERNEY. Thank you.

Mr. Stewart, would planning and adapting to drought and other emergencies related to climate change be an acceptable technical assistance under current statute?

Mr. STEWART. Yes, it is, because I know both Rural Water and RCAP are working with each other. We work with quite a few systems in the central valley of California that are having issues, you know, some that are actually still considered colonias in Riverside County and they have not only drought issues but, as you know, arsenic issues—just water quality issues.

So yes. I mean, that is an acceptable use for the funding currently.

Mr. MCNERNEY. All right.

And the current legislation wouldn't change that?

Mr. STEWART. Not to my knowledge.

Mr. MCNERNEY. OK. Good.

Mr. Mayfield, do you agree that the current statute protects you for planning for climate change or adapting to climate change?

Mr. MAYFIELD. Yes, I agree with that.

Mr. MCNERNEY. Thank you.

I am going to be brief here. Mr. Stewart, do you think the bill would restrict your ability to offer technical assistance in moving drinking water intakes or finding alternative source water?

Mr. STEWART. No, I think that is—I think when you are talking about compliance you are talking not only the quality but availability and quantity. So I think that is all—we have never been told that that wouldn't be an acceptable use of the technical assistance money.

Mr. MCNERNEY. Is identifying and mitigating contamination acceptable technical assistance under current law?

Mr. STEWART. Well, that is more of a source water protection kind of an issue the EPA has at times in the past funded separately. It is eligible but that is not really what—if you look at the RFAs that come out from EPA for those purposes that is not what their emphasis has been. I would say that.

Mr. MCNERNEY. Would the new bill change that, in your opinion?

Mr. STEWART. See, I am not sure—that is for you all to decide. I mean, you know, what you direct EPA to do and then what they

do can be two different things and I am not the one to decide, you know, who is right—who is right on that. That is——

Mr. MCNERNEY. The chairman is smiling on this.

Mr. STEWART. That is for you all to do, right.

Mr. MCNERNEY. Well, Mr. Mayfield, you offer training to monitor for and mitigate contamination. Is that right?

Mr. MAYFIELD. That is correct. Yes, sir.

Mr. MCNERNEY. And that sounds like most of the time you are just reacting to crises. But you actually have some amount of resources to deploy in terms of training as well?

Mr. MAYFIELD. Yes, sir.

Before the money started getting cut through EPA, Mississippi had two, like, Mr. Stewart was talking about, source water people on the staff that was out in the field every day dealing with these type of problems. But, you know, when funding got cut we had to lay those two people off. But we still do it through training.

Mr. MCNERNEY. Thank you.

Well, I think the assistance is very important. It will only become more so as climate change exacerbates the problems of our drinking water sources. So I hope we can continue to work together on these problems.

Thank you, Mr. Chairman.

Mr. SHIMKUS. Maybe I shouldn't have waited but—no, I am glad I did.

So with that, seeing no other member wishing to ask questions we want to thank you all for traveling and spending time with us. We look forward to kind of moving promptly to try to get this through our system, get it to the floor so hopefully we can meet the time schedules that we all know that we need to meet.

So with that, I will call the hearing adjourned.

[Whereupon, at 11:06 a.m., the committee was adjourned.]

[Material submitted for inclusion in the record follows:]

PREPARED STATEMENT OF HON. FRED UPTON

Most members of our committee give personal attention to the needs of the small, rural water service providers in our districts. In particular, Mr. Harper, Mr. Tonko, and Mr. Shimkus have been exchanging ideas on how to better meet these challenges within the economic and budgetary realities we face and should be commended in getting us to where we are today.

Many smaller and rural communities across Michigan and the United States face significant challenges in replacing, maintaining, and upgrading their aging drinking water infrastructure. These communities often face increased costs and burdens of meeting the complex regulatory requirements under the Safe Drinking Water Act. The bill before us today, which passed the Senate by Unanimous Consent back in June, and is the companion to H.R. 2853—introduced by Subcommittee Vice Chairman Gregg Harper and Ranking Member Tonko—helps these communities alleviate that burden. It authorizes EPA's current program in the Safe Water Drinking Act that provides technical assistance to small public water systems through 2020. It allows grants to non-profit organizations, but preference goes to non-profits that are most qualified and experienced and that the small water systems themselves find effective. It's a win for the smaller and rural communities in my district back in Michigan and across the country.

By passing S. 611 unanimously, the Senate has given us a rare opportunity. We can do our part to help this reauthorization become law if we can all agree to approve the bill exactly as it passed the Senate so that, if the House passes it, it will go directly to the President for his signature. We would avoid the risk of returning it to the Senate or negotiating differences in a Conference committee.

By helping this bill become law, we help our constituents who struggle every day to make sure that their small water systems meet those stringent regulatory requirements rooted in the Safe Drinking Water Act's standards. I hope that today's hearing gives all Members the information they need to support S. 611 as it takes another step toward enactment. I support the legislation and urge my colleagues to do likewise.

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114TH CONGRESS
1ST SESSION

S. 611

IN THE HOUSE OF REPRESENTATIVES

JUNE 10, 2015

Referred to the Committee on Energy and Commerce

AN ACT

To amend the Safe Drinking Water Act to reauthorize technical assistance to small public water systems, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the "Grassroots Rural and
3 Small Community Water Systems Assistance Act".

4 **SEC. 2. FINDINGS.**

5 Congress finds that—

6 (1) the Safe Drinking Water Act Amendments
7 of 1996 (Public Law 104–182) authorized technical
8 assistance for small and rural communities to assist
9 those communities in complying with regulations
10 promulgated pursuant to the Safe Drinking Water
11 Act (42 U.S.C. 300f et seq.);

12 (2) technical assistance and compliance train-
13 ing—

14 (A) ensures that Federal regulations do
15 not overwhelm the resources of small and rural
16 communities; and

17 (B) provides small and rural communities
18 lacking technical resources with the necessary
19 skills to improve and protect water resources;

20 (3) across the United States, more than 90 per-
21 cent of the community water systems serve a popu-
22 lation of less than 10,000 individuals;

23 (4) small and rural communities have the great-
24 est difficulty providing safe, affordable public drink-
25 ing water and wastewater services due to limited

economies of scale and lack of technical expertise; and

(5) in addition to being the main source of compliance assistance, small and rural water technical assistance has been the main source of emergency response assistance in small and rural communities.

SEC. 3. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) to assist small and rural communities most effectively, the Administrator of the Environmental Protection Agency should prioritize the types of technical assistance that are most beneficial to those communities, based on input from those communities; and

(2) local support is the key to making Federal assistance initiatives work in small and rural communities to the maximum benefit.

SEC. 4. FUNDING PRIORITIES.

Section 1442(e) of the Safe Drinking Water Act (42 U.S.C. 300j–1(e)) is amended—

(1) by designating the first through seventh sentences as paragraphs (1) through (7), respectively;

(2) in paragraph (5) (as so designated), by striking "1997 through 2003" and inserting "2015 through 2020"; and

(3) by adding at the end the following:

"(8) NONPROFIT ORGANIZATIONS.—

"(A) IN GENERAL.—The Administrator may use amounts made available to carry out this section to provide grants or cooperative agreements to nonprofit organizations that provide to small public water systems onsite technical assistance, circuit-rider technical assistance programs, multistate, regional technical assistance programs, onsite and regional training, assistance with implementing source water protection plans, and assistance with implementing monitoring plans, rules, regulations, and water security enhancements.

"(B) PREFERENCE.—To ensure that technical assistance funding is used in a manner that is most beneficial to the small and rural communities of a State, the Administrator shall give preference under this paragraph to nonprofit organizations that, as determined by the Administrator, are the most qualified and experienced in providing training and technical as-

1 sistance to small public water systems and that
2 the small community water systems in that
3 State find to be the most beneficial and effec-
4 tive.
5 "(C) LIMITATION.—No grant or coopera-
6 tive agreement provided or otherwise made
7 available under this section may be used for liti-
8 gation pursuant to section 1449.".

Passed the Senate June 9, 2015.

Attest: JULIE E. ADAMS,
Secretary.

STATEMENT FOR THE RECORD
U.S. ENVIRONMENTAL PROTECTION AGENCY
BEFORE THE
HOUSE COMMITTEE ON ENERGY AND COMMERCE
SUBCOMMITTEE ON ENVIRONMENT AND THE ECONOMY
REGARDING S.611
THE GRASSROOTS RURAL AND SMALL COMMUNITY WATER SYSTEMS ASSISTANCE ACT

October 22, 2015

Thank you for the opportunity to provide testimony for the record. Although the Administration has not taken a position on S.611, the Grassroots Rural and Small Community Water Systems Assistance Act, the U.S. Environmental Protection Agency is pleased to describe its current programmatic work to enhance the capacity of small drinking water systems in this country.

Under the Safe Drinking Water Act (SDWA), small public water systems are broadly characterized as systems serving 10,000 or fewer customers. This category of systems represents over 92 percent of the nation's 51,000 community water systems, and nearly all of the 100,000 non-community water systems. Many small systems face a number of challenges in providing safe, reliable drinking water to their customers. These challenges, broadly termed as technical, managerial, and financial capacity, affect the ability of small water systems to achieve and maintain system sustainability. Small systems can face difficulties with meeting all of the nation's drinking water standards and may lack long-term planning for future needs due to factors such as absence of a full-time operator, high staff turnover, financial limitations, and overall difficulty obtaining access to technical information.

Through the implementation of SDWA, the EPA has placed a significant focus on support for small public water systems. The EPA's financial assistance has been provided through two main sources of funding: the Drinking Water State Revolving Fund (DWSRF) and the National Training and Technical Assistance Grant. The DWSRF program is a cornerstone of EPA's strategy to ensure that small system customers enjoy the public health protection benefits of the SDWA. Through 51 state-customized programs (all 50 states and Puerto Rico), the DWSRF delivers access to credit and subsidy for water systems, and provides support for state drinking water programs. In addition to financing infrastructure through loans, the DWSRF provides states access to four DWSRF 'set-aside' funds that can be used to support small system capacity. States have used set-aside funds for a variety of activities to support small systems including capital investment project planning, development of infrastructure design and engineering plans, facilitation of water system partnerships, and on-site technical support. The DWSRF has provided close to $9.2 billion to small systems through over 8,000 assistance agreements since its inception. By providing the states with incentives and flexibilities, the SDWA strategically links the DWSRF program to the Capacity Development, Operator Certification and Source Water Protection programs resulting in a powerful set of tools to help ensure small system customers receive focused support.

In addition, the National Training and Technical Assistance Grants have provided approximately $32 million for fiscal years 2012-2014 to third party technical assistance providers to direct training and technical assistance to small systems to build capacity and increase sustainability. This funding helps

provide training and tools to improve small system operations and management practices, and supports the EPA's mission to protect public health and the environment. The EPA estimates that one of the grantees was able to provide training to over 12,000 public water systems on operations and regulatory rules and up to 8,158 hours of training and technical assistance in one year. Another grantee provided training and technical assistance for small drinking water systems in the area of financial and managerial capacity through face-to-face workshops, technical assistance, and through the development of online water rate benchmarking tools. Areas of training and assistance include asset management and capital improvement planning, fiscal planning and rate setting, water loss reduction, energy management, water system partnerships and managerial and financial leadership. This grantee was able to provide more than 2,200 individuals technical assistance and taught more than 100 workshops in all 50 states and in 4 US Territories.

The EPA recognizes the critical importance of focusing on development of technical, managerial and financial capacity for small drinking water systems. Thank you for the opportunity to discuss the Grassroots Rural and Small Community Water Systems Assistance Act and the EPA's efforts to help small systems provide safe, reliable drinking water.

FRED UPTON, MICHIGAN
CHAIRMAN

FRANK PALLONE, JR., NEW JERSEY
RANKING MEMBER

ONE HUNDRED FOURTEENTH CONGRESS

Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
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Minority (202) 225-3641

November 12, 2015

Mr. Kirby Mayfield
Executive Director
Mississippi Rural Water Association
5400 North Midway Road
Raymond, MS 39154
On behalf of:
The National Rural Water Association

Dear Mr. Mayfield:

Thank you for appearing before the Subcommittee on Environment and the Economy on Thursday, October 22, 2015, to testify at the hearing entitled "Technical Assistance for Rural Water Systems: S. 611, the Grassroots Rural and Small Community Water Systems Assistance Act."

Pursuant to the Rules of the Committee on Energy and Commerce, the hearing record remains open for ten business days to permit Members to submit additional questions for the record, which are attached. The format of your responses to these questions should be as follows: (1) the name of the Member whose question you are addressing, (2) the complete text of the question you are addressing in bold, and (3) your answer to that question in plain text.

To facilitate the printing of the hearing record, please respond to these questions with a transmittal letter by the close of business on Monday, November 30, 2015. Your responses should be mailed to Will Batson, Legislative Clerk, Committee on Energy and Commerce, 2125 Rayburn House Office Building, Washington, DC 20515 and e-mailed to Will.Batson@mail.house.gov.

Thank you again for your time and effort preparing and delivering testimony before the Subcommittee.

Sincerely,

John Shimkus
Chairman
Subcommittee on Environment and the Economy

cc: The Honorable Paul Tonko, Ranking Member, Subcommittee on Environment and the Economy

Attachment

Responses to Questions for the Record
From
Mr. Kirby Mayfield
Executive Director
Mississippi Rural Water Association
On Behalf Of
The National Rural Water Association
For The Hearing Entitled
"Technical Assistance for Rural Water Systems: S. 611, the Grassroots Rural and Small Community Water Systems Assistance Act"
Held
October 22, 2015

The Honorable John Shimkus

1. Does limiting disinfection use in some small Delta communities- in order to comply with the Disinfection Byproducts Rule (DBP)—actually increase public health risks? *Yes, it is very possible, by limiting the amount of chlorine added to the water to comply with this rule, if the operator is not careful, then he/she may not have an adequate chlorine residual throughout the entire distribution system thus putting the public at risk. Also by limiting the amount of chlorine added there could possibly not be enough chlorine in the water to inactivated any bacteria that may be in the drinking water. Chlorine is often increased in water with color or tanning to bleach the color out of the water. The increased chlorine can result in the formation of disinfection byproducts. However, when the chlorine concentration is decreased the color returns. Additionally, many communities will decrease the amount of treated drinking water they keep in storage to reduce the contact time of the chlorine (and DBPs), this can reduce the availability of water storage during an emergency. Also, many communities are increasing the flushing (opening lines to discharge treated water) in their distribution system which could be wasting treated water and energy.*

A. Would the technical assistance provided by S. 611 help you address these collateral concerns? *Yes, very much so, through training and on-site technical assistance, the operator can be taught, trained and shown how to properly keep a safe residual throughout his system by means of flushing his system on a regular basis, however, when doing this, most of the time the color in the water does return. Also, circuit riders can train operators on proper use of chemicals to be added to the water treatment process to reduce the precursors of DBP formation.*

FRED UPTON, MICHIGAN
CHAIRMAN

FRANK PALLONE, JR., NEW JERSEY
RANKING MEMBER

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Minority (202) 225-3641

November 12, 2015

Mr. Robert B. Stewart
Executive Director
RCAP, Inc.
1701 K Street, N.W. Suite 700
Washington, DC 20006

Dear Mr. Stewart:

Thank you for appearing before the Subcommittee on Environment and the Economy on Thursday, October 22, 2015, to testify at the hearing entitled "Technical Assistance for Rural Water Systems: S. 611, the Grassroots Rural and Small Community Water Systems Assistance Act."

Pursuant to the Rules of the Committee on Energy and Commerce, the hearing record remains open for ten business days to permit Members to submit additional questions for the record, which are attached. The format of your responses to these questions should be as follows: (1) the name of the Member whose question you are addressing, (2) the complete text of the question you are addressing in bold, and (3) your answer to that question in plain text.

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Thank you again for your time and effort preparing and delivering testimony before the Subcommittee.

Sincerely,

John Shimkus
Chairman
Subcommittee on Environment and the Economy

cc: The Honorable Paul Tonko, Ranking Member, Subcommittee on Environment and the Economy

Attachment

Additional Questions for the Record

Provided by Robert Stewart

Executive Director, Rural Community Assistance Partnership

The Honorable John Shimkus

1. **The last time you joined us, you testified about the need for strong training programs for operators, managers, and community leaders.**

   A. Would S. 611 help ensure that essential training elements continue or occur?
   Yes, it will support those training needs that are crucial for small communities to maintain compliance with Safe Drinking Water Act regulations.

   B. With renewing the technical assistance provisions in section 1442 of the Safe Drinking Water Act, can small and rural communities sustain the items this training provides?
   By allowing for the renewal of the technical assistance provisions in Section 1442 of the SDWA, rural and small communities will have an increased opportunity to receive training that leads to or maintains compliance with the SDWA. It is crucial that appropriations be made each year specifically to support this authorization.

2. **You have previously mentioned that training should be delivered electronically in order to reach a larger audience for lower costs.**

   A. I do not see anything in S. 611 that would prevent this use. Do you?
   No. Funding previously appropriated under the authorization contained in Section 1442 resulted in RCAP being able to offer electronic training (both synchronous and asynchronous) in a variety of formats and these trainings generated considerable interest. RCAP feels that in order to best serve small communities a variety of training avenues must be pursued: one-on-one training, classroom-style trainings, regional trainings, electronic training and the provision of training and education materials offered both as hard copies and accessible in electronic formats online.

   B. Would you use the funding provided under S. 611 to partner with information technology companies to expand the effective use of this medium?
   RCAP currently already has taken a variety of steps to offer trainings electronically including live and recorded webinars, posting of training and educational materials on our web site, offering access to technical experts on line and the use of training videos available both online and used as part of our in-person trainings. We would not hesitate to use the resources of IT companies should that enable a further expansion of our training activities.

3. **You have said that "[a]pproximately 96% of all health based violations occur at systems serving a population of less than 10,000 while less than a third of the SRF outlays are directed at these same small systems."**

   A. Do spending requirements or conditions placed on SRF funds prevent smaller and rural communities from maximizing the full benefit of these monies?
   At times application requirements hinder small communities from submitting materials that lead to their being placed on states Intended Use Plans. Some states support technical assistance efforts that support the ability of small communities to submit responsive and competitive applications. If the community cannot get on the Intended Use Plan then they

have no chance of being funded. There is also a tendency in some states to make a few loans to larger systems as that approach is much less time consuming than making a large number of loans to smaller systems that typically require less capital for their projects. RCAP feels that great priority within the SRFs should be placed on meeting the needs of the smallest communities since as you noted these communities have the highest rates of non-compliance.

B. How would the funding made available by S. 611 address this concern?
As long as EPA in the implementation of the program allows technical assistance providers to provide support to small communities that wish to submit applications to the SRF programs, then the funding allowed by S. 611 would begin to address this concern. Our suggestion would be for EPA to structure their cooperative grant agreements in such a way that more of the funding is allowed for this type of management and financial assistance than is currently the case. At present, the majority of the funding that is based on Section 1442 goes for "technical" assistance which by EPA's definition would not allow this particular, and most important concern, to be addressed.

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