provided to previous lease sales for the OCS to the proposed sales of 1997 to 2002.

ERP No. D–NOA–L90027–AK Rating *LO, Kackhemak Bay National Estuarine Research Reserve (KBNERR) Management Plan, Operations and Development, Southcentral, AK.

Summary: EPA Region 10 used a screening tool to conduct a limited review of this action. Based upon the screen, EPA does not foresee having any environmental objections to the proposed project. Therefore, EPA will not be conducting a detailed review.

Final EISs

ERP No. F–AFS–K65201–CA Liberty Forest Health Improvement Project, Implementation, Tahoe National Forests, Sierraville Ranger District, Sierra and Nevada Counties, CA.

Summary: Review of the Final EIS was not deemed necessary. No formal comment letter was sent to the preparing agency.

ERP No. F–FHW–E40751–NC US 70 Goldsboro Bypass Construction, US 70 in the vicinity of NC–1237 to US 70 in the vicinity of NC–1731, Funding and COE Permits, Wayne County, NC.

Summary: EPA continues to be concerned regarding impact related to noise, relocations, and flood plain impacts.

ERP No. F–FHW–K50011–CA Carquinez Bridge Project, Replace/Retrofit the westbound I–80 between Cummings Skyway and CA–29, Funding, US Coast Guard and COE Section 10 and 404 Funding, Contra Costa and Solano Counties, CA.

Summary: Review of the Final EIS was not deemed necessary. No formal comment letter was sent to the preparing agency.

Dated: June 9, 1998.

Ken Mittelholtz,

Environmental Specialist, NEPA Compliance Division, Office of Federal Activities.

[FR Doc. 98–15759 Filed 6–11–98; 8:45 am]

BILLING CODE 6560–50–U

ENVIRONMENTAL PROTECTION AGENCY

[FRL–6110–8]

Proposed Policies Affecting the Drinking Water State Revolving Fund (DWSRF) Program and Announcement of Stakeholder Meeting

AGENCY: Environmental Protection Agency.

ACTION: Notice.

SUMMARY: The U.S. Environmental Protection Agency (EPA) is proposing to issue two policy decisions for the Drinking Water State Revolving Fund (DWSRF) program. The first would allow eligible privately-owned public water systems to be reimbursed for costs incurred after a State notifies the system that it will provide a loan, but before the system actually receives the loan. This will allow privately-owned systems to move ahead with construction to take advantage of construction seasons. The second policy would allow States to make loans for projects that are needed to solve public health problems for residents currently served by contaminated ground water wells. This policy would expand the universe of eligible loan recipients by allowing loans to an entity that is not currently a public water system, but which will become a public water system upon completion of the project.

EPA has also developed a proposed strategy to be used, if necessary, for implementing withholding of DWSRF funds in cases where States fail to meet statutory requirements for ensuring capacity of new systems commencing operation after October 1, 1999.

EPA is soliciting comments on these proposals until July 19, 1998. Comments in writing should be directed to Veronica Blette, Implementation and Assistance Division, Office of Ground Water and Drinking Water, U.S. EPA, (4606), 401 M Street SW, Washington, D.C. 20460, by fax to (202) 260–4656 or by E-mail to blette.veronica@epa.gov. EPA is also holding a stakeholders meeting on July 13, 1998 in Washington, D.C. to discuss the proposals, and to provide an opportunity for participants to comment, ask questions and express their views.

Background

The DWSRF program was established by the reauthorized Safe Drinking Water Act (SDWA) (Pub. L. 104–182), signed by President Clinton on August 6, 1996. The SDWA Amendments authorizes $9.6 billion for the DWSRF program and related programs from fiscal year 1994 through fiscal year 2003. EPA's budget included $1.275 billion for the DWSRF program and related programs in FY 1997 and $725 million in FY 1998. Final Guidelines [EPA 816–R–97–005] for the program were released on February 28, 1997. Funding provided by EPA from the national DWSRF appropriation is used by States to establish DWSRF loan programs. States can also use part of the funds to support State and local programs related to source water protection, operator certification and drinking water programs.

State DWSRF programs can make loans to both privately-owned and publicly-owned community water systems and not-for-profit non-community water systems. A community water system is a system that serves at least 15 service connections used by year-round residents of the area served by the system; or regularly serves at least 25 year-round residents. A non-community water system is a public water system that is not a community water system. States have the flexibility to tailor DWSRF programs to address local needs as long as the programs meet minimum Federal requirements. States must develop a priority system which will be used to prioritize use of DWSRF funds. Funding priority must be based on three criteria: projects needed to protect public health, achieve or maintain SDWA compliance, and to help those systems with the greatest economic need. States are required annually to develop, and subject to public review, a comprehensive priority list of projects that have applied for funding and a fundable list, which is a list of the highest ranked projects which are expected to receive funding in that year.

Proposals

(1) The Safe Drinking Water Act (SDWA) contains a provision which allows State DWSRF programs to provide loans to municipally owned systems to refinance debt incurred for eligible projects. Specifically, section 1452(f)(2) allows States ''to buy or refinance the debt obligation of a municipality, intermunicipal or interstate agency within the State * * * in any case in which a debt obligation is incurred after July 1, 1993.'' However, the SDWA does not have a similar provision for privately-owned facilities.

A number of States have expressed concern that a strict interpretation of this refinance provision could delay construction of some privately-owned projects that are needed to solve public health problems. States would like the option of reimbursing eligible privately-owned systems for debt or costs incurred by the system after it receives notification from the State that the State intends to offer it a loan in the near future. Costs incurred after the notification, but before the loan was made, would be eligible for reimbursement. This would encourage systems to move ahead with construction in order to, for example, take advantage of seasonal construction cycles.

EPA believes that projects which have been approved for funding from the DWSRF, but move ahead with construction prior to the actual award, should be able to include these short

term construction costs in the DWSRF loan under certain conditions. In these cases, where a privately-owned project incurs a cost prior to receiving a loan, even if by means of a short term debt, that debt will be treated as a previously incurred cost that is eligible for loan assistance.

The Agency is proposing that any project that has been given approval, authorization to proceed, or any similar action by the State prior to the actual project construction will be eligible for reimbursement of construction expenses incurred after such State action, provided that the project meets all of the requirements of the DWSRF program. Such a project must be on the State's fundable list, developed using a priority system approved by EPA. A project on the comprehensive list which is funded when a project on the fundable list is bypassed using the State's bypass procedures may also be eligible for reimbursement of costs incurred after the system has been informed that it will receive funding. These requirements would apply regardless of whether the system financed costs using a short-term debt instrument or internal capital.

Projects receiving reimbursement of incurred costs would be subject to all other Federal requirements required of a recipient of Federal funds, including an environmental review which must consider the impacts of the project based on the preconstructing site conditions. Failure to comply with the State's environmental review process cannot be justified on the grounds that costs had already been incurred, environmental impacts had already been caused, or contractual obligations had been made prior to the binding commitment.

(2) Section 1452(a)(2) of the SDWA Amendments states that ''financial assistance under this section may be used by a public water system only for expenditures * * * which * * * will facilitate compliance with national primary drinking water regulations * * *.'' The Act defines a public water system (PWS) as a ''system * * * (of) pipes or other constructed conveyances'' which regularly serves at least 15 service connections or at least 25 individuals. Several States have indicated that a strict interpretation of this provision would prevent them from providing funds to an entity (e.g., homeowners' association) that has a public health problem and is not currently a PWS, but which would become a PWS upon construction of a piped system. States want the flexibility to provide DWSRF funds to these entities in order to solve public health problems posed by contaminated wells. While the SDWA does allow States to lend funds to an existing PWS to extend lines to solve these types of public health problems, not all of these situations have an existing PWS nearby that is willing or able to help.

EPA believes that the statute permits the DWSRF to create a federally regulated PWS in limited circumstances to solve the public health problems intended to be addressed by the statute; for example, health risks faced by homeowners currently served by individual wells. The conditions which would have to be met are: (a) upon completion of the project, the entity responsible for the loan must meet the definition of a Federal community public water system; (b) funding is limited to projects on the State's fundable list where an actual public health problem with serious risks exists; (c) the project must be limited in scope to the specific geographic area affected by contamination; (d) the project can only be sized to accomodate a reasonable amount of growth expected over the life of the facility—growth cannot be a substantial portion of the project; and (e) the project must meet the same technical, financial and managerial capacity requirements that the SDWA requires of all DWSRF assistance recipients.

(3) Section 1452(a)(1)(g) of the SDWA Amendments requires the Administrator to withhold 20% of a State's DWSRF allotment unless the State has the legal authority or other means to ensure that all new community water systems and new nontransient, noncommunity water systems commencing operation after October 1, 1999 demonstrate technical, managerial, and financial capacity with respect to each drinking water regulation in effect, or likely to be in effect, on the date operations commence (section 1420(a)). EPA proposes that for award of FY99 funds, a State will receive 100% of its allotment if it has the statutory authority and has completed or is in the process of a scheduled administrative rulemaking or equivalent approach with the realistic expectation that the State will have a fully functional program as of 10/1/99. States failing to meet this will have 20% of their allotment held back. If a State subsequently meets these requirements by 9/30/99 the held back funds will be released. If the State fails to meet the requirements by 9/30/99 the funds will be permanently withheld and reallotted to other States.

For FY2000 funds and beyond, EPA is proposing to withhold and reallot 20% of the State's allotment if the State fails to demonstrate that it has, and is implementing, a fully functional program to ensure that new systems have capacity. The assessment will be performed as part of the capitalization grant application review, but will be based on the status of the State program as of October 1 of the fiscal year that the funds were allotted to the State.

DATES: A Stakeholder meeting to address these proposals and other implementation issues associated with the DWSRF program has been scheduled for July 13, 1998 from 1 p.m. to 5 p.m. The meeting will be held at the Washington Information Center (WIC) at EPA Headquarters, 401 M Street SW, Washington, DC 20460.

To register for the meeting, contact the Safe Drinking Water Act Hotline, telephone (800) 426–4791. Interested parties who cannot attend the meeting may participate via conference call and should register with the Safe Drinking Water Hotline by July 6, 1998 to guarantee availability.

FOR FURTHER INFORMATION CONTACT: The Safe Drinking Water Act Hotline, telephone (800) 426–4791. Information about the DWSRF program, including program guidelines and State contact information, is available from the EPA Office of Ground Water and Drinking Water Web Site at the URL address ''http://www.epa.gov/OGWDW.''

Dated: June 5, 1998.

Cynthia C. Dougherty,

Director, Office of Ground Water and Drinking Water.

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ENVIRONMENTAL PROTECTION AGENCY

[OPP–00245; FRL–5798–1]

EPA's Endocrine Disruptor Screening and Testing Advisory Committee; Notice of Public Meeting

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: EPA is announcing the final meeting of the Endocrine Disruptor Screening and Testing Advisory Committee (EDSTAC), a committee established under the provisions of the Federal Advisory Committee Act (FACA) to advise EPA on developing a strategy to screen and test chemicals, including pesticides, for their potential to disrupt endocrine functions in humans, fish, and other wildlife.

DATES: The final meeting of the EDSTAC will be held on Wednesday, June 17, 1998, from 9 a.m. to 5:30 p.m., and