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### AMENDING THE SAFE DRINKING WATER ACT TO REAUTHORIZE THE PROVISION OF TECHNICAL ASSISTANCE TO SMALL PUBLIC WATER SYSTEMS

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DECEMBER 12, 2007.—Ordered to be printed

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Mrs. BOXER, from the Committee on Environment and Public Works, submitted the following

### R E P O R T

[To accompany S. 1429]

[Including cost estimate of the Congressional Budget Office]

The Committee on Environment and Public Works, to which was referred the bill (S. 1429) to amend the Safe Drinking Water Act to reauthorize the provision of technical assistance to small public water systems, having considered the same reports favorably thereon with an amendment and recommends that the bill, as amended, do pass.

#### GENERAL STATEMENT AND BACKGROUND

##### SUMMARY AND NEED FOR LEGISLATION

This Committee, the U.S. Environmental Protection Agency (EPA), state officials, health experts, and water utilities recognize that there are special challenges for many small drinking water systems seeking to provide the highest quality drinking water. The EPA defines a small system as one serving less than 3,300 people. According to EPA's 2003 assessment of drinking water needs, 45,000 of the nation's 54,000 community water systems are small systems.<sup>1</sup> As noted by the National Academy of Sciences' National Research Council (NRC) in its 1997 review of small system drinking water challenges, "meeting drinking water standards is most difficult for water systems in small communities. Small commu-

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<sup>1</sup>"Drinking Water Infrastructure Needs Survey and Assessment; Third Report to Congress," page 3. Environmental Protection Agency.

nities often cannot afford the equipment and qualified operators necessary to ensure compliance with safe drinking water standards.” In its 2003 needs assessment, the EPA concurred with the NRC, stating “Small water systems face many unique challenges in providing safe drinking water to consumers. The substantial capital investments required to rehabilitate, upgrade, or install infrastructure without the economies of scale available to larger systems represents on challenge. . . . [T]he costs borne on a per-household basis by small systems are significantly higher than those of larger systems.”<sup>2</sup>

Many of the Academies findings and recommendations continue to be relevant today. The Academy panel noted that increases in both the number of drinking water regulations and the number of small community water systems over the past three decades have made the problem of providing safe drinking water to small communities even more challenging. The panel suggested that “the solution to the problem of providing safe drinking water to small communities has three elements, each equally important: (1) providing affordable water treatment technologies, (2) creating the institutional structure necessary to ensure the financial stability of water systems, and (3) improving programs to train small system operators in all aspects of water system maintenance and management.” Thus, the panel highlighted the importance of adequate funding for programs to train small system operators and to offer technical assistance.

#### OBJECTIVES OF THE LEGISLATION

The goal of the legislation is to reauthorize the small system technical assistance provision of the Safe Drinking Water Act in order to improve the technical and managerial capacity of small drinking water systems.

#### SECTION-BY-SECTION ANALYSIS

##### SECTION 1

##### *Summary*

This provision amends section 1442(e) of the Safe Drinking Water Act by reauthorizing the small system technical assistance grants to states, which expired in 2003, for fiscal years 2008 through 2012.

##### *Discussion*

Section 1442(e) of the existing Act states that EPA may provide technical assistance to small public water systems to enable such systems to achieve and maintain compliance with applicable national primary drinking water regulations. This assistance may include circuit-rider and multi-State regional technical assistance programs, training, and preliminary engineering evaluations. EPA is required ensure that technical assistance pursuant to this subsection is available in each State. Each nonprofit organization receiving assistance under the subsection is required to consult with the State in which the assistance is to be provided before using as-

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<sup>2</sup> Ibid. 11.

sistance to undertake activities to carry out this provision. The subsection authorized \$15 million dollars a year for such technical assistance. No funds provided under the State loan fund established under the Act, and no funds provided under this subsection may be used for lobbying expenses. Three percent of the total funds provided under this subsection must be used for technical assistance to public water systems owned or operated by Indian Tribes.

This section further requires EPA to give priority to small systems organizations as determined by the Administrator, are qualified and will be the most effective at assisting those systems that have the greatest need (or a majority of need) in each state. This will help ensure competition among small systems organizations to be as effective as possible at assisting such systems. The provision is intended to ensure, in parallel with, for example, the provisions of the State loan fund under section 1452(b)(3)(A) of the Safe Drinking Water Act, that the technical assistance funds under this subsection are strategically targeted by the small systems organizations to help those systems most in need or that present the greatest health risks, as determined by the Administrator.

#### LEGISLATIVE HISTORY

S. 1429 was introduced on May 17, 2007 by Senator Inhofe, joined by original cosponsors Senators Isakson, Craig, Thomas, and Warner. The bill was referred to the Committee on Environment and Public Works, and was ordered reported favorably out of the Committee as amended on July 31, 2007.

#### ROLLCALL VOTES

S. 1429 was approved as amended by the Committee on Environment and Public Works by rollcall vote of 19–0 on July 31, 2007. (Ayes—Alexander, Barrasso, Baucus, Bond, Cardin, Carper, Clinton, Craig, Inhofe, Isakson, Klobuchar, Lautenberg, Lieberman, Sanders, Vitter, Voinovich, Warner, Whitehouse, and Boxer.)

The Committee approved by voice vote the Craig-Inhofe Amendment #1, to provide priority for consideration of certain small systems organizations, after having approved Senator Klobuchar's 2nd degree amendment to that amendment, which requires that EPA provide priority to small water systems organizations that, in EPA's judgment, are most effective at assisting those small systems in the greatest need (or with a majority of need). The Klobuchar second degree amendment was approved by rollcall vote, 11–8. (Ayes—Baucus, Cardin, Carper, Clinton, Klobuchar, Lautenberg, Lieberman, Sanders, Voinovich, Whitehouse, and Boxer. Nays—Alexander, Barrasso, Bond, Craig, Inhofe, Isakson, Vitter, and Warner.)

Senator Craig's #2 Amendment to modify the monitoring and testing requirements for certain residential properties that receive treated drinking water from another source including manufactured housing communities failed by rollcall vote, 9–10. (Nays—Baucus, Cardin, Carper, Clinton, Klobuchar, Lautenberg, Lieberman, Sanders, Whitehouse, Boxer. Ayes—Alexander, Barrasso, Bond, Craig, Inhofe, Isakson, Vitter, Voinovich, and Warner.)

## REGULATORY IMPACT STATEMENT

In compliance with section 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee makes evaluation of the regulatory impact of the reported bill.

The bill does not create any additional regulatory burdens, nor will it cause any adverse impact on the personal privacy of individuals.

## MANDATES ASSESSMENT

In compliance with the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4), the Committee finds that S. 1429 would impose no Federal intergovernmental unfunded mandates on State, local, or tribal governments.

## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

Summary: S. 1429 would authorize the appropriation of \$15 million annually over the 2008–2012 period for the Environmental Protection Agency’s (EPA’s) program that provides technical assistance to small public water systems. The authorization for this program expired in 2003.

CBO estimates that implementing S. 1429 would cost \$67 million over the next five years, assuming appropriation of the authorized amounts. Enacting the legislation would not affect direct spending or revenues.

S. 1429 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would benefit state and local governments.

Estimated Costs to the Federal Government: The estimated budgetary impact of S. 1429 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By fiscal year, in millions of dollars—					
	2007	2008	2009	2010	2011	2012
SPENDING SUBJECT TO APPROPRIATION						
Spending for EPA Technical Assistance Under Current Law: <sup>a</sup>						
Budget Authority .....	0	0	0	0	0	0
Estimated Outlays .....	8	2	0	0	0	0
Proposed Changes:						
Authorization Level .....	0	15	15	15	15	15
Estimated Outlays .....	0	8	14	15	15	15
Total Spending for EPA Technical Assistance Under S. 1429: <sup>a</sup>						
Authorization Level .....	0	15	15	15	15	15
Estimated Outlays .....	8	10	14	15	15	15

<sup>a</sup> There was no appropriation in 2007 for EPA technical assistance to small public water systems; outlays under current law stem from appropriations provided in prior years.

Basis of estimate: For this estimate, CBO assumes that S. 1429 will be enacted near the start of 2008, that the authorized amounts will be appropriated each year, and that outlays will follow historical spending patterns for the technical assistance program. This legislation would authorize funding for nonprofit organizations to help small public water systems achieve and maintain compliance with national regulations and to support training and engineering evaluations of those water systems. CBO estimates that implementing the bill would cost \$67 million over the 2008–2012 period.

Intergovernmental and private-sector impact: S. 1429 contains no intergovernmental or private-sector mandates as defined in UMRA and would authorize grants to small public water systems. Any costs to state and local governments, including matching funds, would be incurred voluntarily.

Estimate prepared by: Federal Costs: Susanne S. Mehlman; Impact on State, Local, and Tribal Governments: Neil Hood; Impact on the Private Sector: Amy Petz.

Estimate approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

#### CHANGES IN EXISTING LAW

In compliance with section 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill as reported are shown as follows: Existing law proposed to be omitted is enclosed in [black brackets], new matter is printed in *italic*, existing law in which no change is proposed is shown in roman:

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#### **TITLE XIV OF THE PUBLIC HEALTH SERVICE ACT (THE SAFE DRINKING WATER ACT)**

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##### SHORT TITLE

SEC. 1400. This title may be cited as the “Safe Drinking Water Act”.

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SEC. 1442. (a)(1) \* \* \*

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(e) **TECHNICAL ASSISTANCE.**—The Administrator may provide technical assistance to small public water systems to enable such systems to achieve and maintain compliance with applicable national primary drinking water regulations. Such assistance may include circuit-rider and multi-State regional technical assistance programs, training, and preliminary engineering evaluations. The Administrator shall ensure that technical assistance pursuant to this subsection is available in each State. Each nonprofit organization receiving assistance under this subsection shall consult with the State in which the assistance is to be expended or otherwise made available before using assistance to undertake activities to carry out this subsection. There are authorized to be appropriated to the Administrator to be used for such technical assistance \$15,000,000 for each of the fiscal years [1997 through 2003.] *2008 through 2012. In providing grants under this section, the Administrator shall give priority to small systems organizations that, as determined by the Administrator, are qualified and will be most effective at assisting those small systems that have the greatest need (or a majority of need) in the States.* No portion of any State loan fund established under section 1452 (relating to State loan funds) and no portion of any funds made available under this subsection may be used for lobbying expenses. Of the total amount appropriated

under this subsection, 3 percent shall be used for technical assistance to public water systems owned or operated by Indian Tribes.

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