



TESTIMONY OF

Ruth Hubbard

Executive Director, Minnesota Rural Water Association

Elbow Lake, Minnesota

ON BEHALF OF

THE NATIONAL RURAL WATER ASSOCIATION

BEFORE THE

THE U.S. House of Representatives Committee on Appropriation

Subcommittee on Interior, Environment, and Related Agencies

April 10, 2014

Chairman Calvert, Ranking Member Moran, Members of the Subcommittee – and I am glad to see my Representative on the Subcommittee, Congresswoman McCollum, who has been very helpful on water issues in Minnesota – thank you for the opportunity to discuss Environmental Protection Agency funding directed by the Subcommittee to help small and rural communities comply with federal rules under the Safe Drinking Water Act and Clean Water Act.

Agency: U.S. Environmental Protection Agency (Environmental Programs Management)
Program: Small Community Technical Assistance (Request: \$15,000,000)

My name is Ruth Hubbard. I am the Executive Director of the Minnesota Rural Water Association representing over 950 small and rural communities that have to comply with all EPA regulations - and have the very important primary responsibility for supplying the public with safe drinking water and sanitation every second of every day. There are similar rural water associations in each state. State rural water associations are non-profit organizations which provide on-site assistance and training to every small and rural community in the state. 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.

My purpose in appearing before you is to explain the importance of providing small and rural water and sewer systems with training and technical assistance necessary to comply with the ever-expanding requirements of the Safe Drinking Water Act and Clean Water Act. Of the billions of dollars provided to the EPA by this subcommittee each year, small and rural communities will tell you they see and feel the most benefit from the dollars provided to on-site technical assistance initiatives.

On behalf of all small and rural communities, I must thank this Subcommittee for making this assistance a Congressional priority for the past 3 decades. While we respect the Agency and have excellent collaboration with EPA on a number of initiatives, we don't always share the objective of helping small and rural communities as opposed to regulating them. For this we have urged Congress, and this Subcommittee specifically, to enact critical assistance initiatives. To ensure that EPA follows Congressional intent, we urge the Subcommittee to include the operative provisions of H.R. 654, the Grassroots Rural and Small Community Water Systems Assistance Act, and fully fund the authorized amount in your FY2015 bill. Included with my written testimony is a letter to the Subcommittee from the bill's sponsors, Representatives Matheson and Harper.

Before I make a few brief policy points, I will rhetorically ask you to guess the number of small communities regulated by the EPA in California and Virginia. In California there are approximately 2,800 small community water systems and in Virginia there are approximately 1,100 small community water systems servicing fewer than 10,000 persons. According to EPA, over 94% of the country's 51,651 community drinking water supplies serve populations under 10,000 persons. Over 80% of the country's 16,255 sanitation or sewer systems serve populations under 10,000 persons.

These small communities want to ensure quality drinking water. Local water supplies are governed by people who are locally elected, and operated by operations specialists whose families drink the water every day. Some communities are so small they rely on volunteers. When it comes to providing safe water and compliance with federal standards, small and rural communities have a difficult time due to their limited customer base and lack of technical resources and staff. This is compounded by the fact that small and rural communities often have lower median household incomes and higher water rates compared to larger communities. As a result, the cost of compliance is often dramatically higher per household.

The smallest town in Minnesota has to comply with all the same regulations as the Twin Cities or Los Angeles, both of which have an entire engineering department. I have brought an example of just one of the many EPA water rules.¹ It is called the disinfection by-products rule stage two and is 134 federal register pages long. It is just starting to be enforced in small and rural communities. It is very complex, confusing, and burdensome. We have been working with our state agency for years to educate communities on how to comply with the rule and our field staff is making contact with hundreds of communities each month to show them how to comply with this rule.

Another example comes from the Town of Marcellus, New York, detailing the burden of the Clean Water Act rules that are mandating a 5 million dollar compliance cost on this small struggling town. My main point here is that communities don't need to be told they have to comply with threats of fines up to \$25,000 a day; they need to be shown how to comply in the most cost effective manner. This is exactly what on-site technical assistance accomplishes.

Someone knowledgeable needs to be on the side of the community. For example, in the city of Herman, Minnesota with only 117 homes, here is how this assistance worked.

¹ <http://ruralwater.org/complexityindex.htm>

The city has a pond system that was having problems with excess rain water entering the collection-lines and overloading the design capacity of the ponds for years. The city was very close to being fined, when a technician visited on-site, and calibrated the lift station to get accurate flow readings, discussed the overloading problem with the operator, and gave the operator a plan to try and solve it. Additionally, the technician attended a council meeting to present the plan and explain to the city council what they needed to do to avoid civil penalties of \$65,000. The city implemented the plan and avoided the fine, returned to compliance and was able to reduce the amount of wastewater entering the plant thus saving them additional dollars, and avoiding an expensive plant upgrade. This example is being repeated in hundreds of communities each week thanks to the funding provided by the Subcommittee.

In closing, I will highlight the very positive policy provisions the Subcommittee has included in the state revolving funds portion of the EPA budget in the past few years - we strongly support the Subcommittee actions here, and encourage you to continue this agenda.²

First, please continue to increase funding for the state revolving funds. These are critical to help meet the demand for water project funding in all communities, often created by compliance costs. We know you have a nearly impossible job every year in continuing funding within your allocation and we are grateful for the funding you have historically provided to the SRF.

Second, we are very appreciative of the Subcommittee's SRF policy on "forgiveness of principle" directed to disadvantaged communities. This is a critical issue for the most burdened communities, including the most economically disadvantaged communities, that can't afford to comply with current mandates without this additional subsidy.

Third, include a state set-aside provision for technical assistance within the clean water SRF to provide small communities with the necessary assistance to ensure non-compliance is remedied in the most economical way. The newer drinking water SRF includes such a set-aside which has been very successful.

Finally, we urge you to resist calls for new water infrastructure programs and policies such as the proposed Water Infrastructure Finance and Innovation Act (WIFIA) that will result in more public water subsidies being available to private, profit-making corporations and more financially sound communities. New policies that remove prioritization of federal water subsidies to target the communities most in need will result in EPA water infrastructure subsidies moving from the neediest communities to a handful of more financially strong communities. Contrary to what is being claimed by some organizations, most state revolving fund monies go to large communities.

Thank you, Mr. Chairman and Members of the Subcommittee. I am eager to respond to any questions.

² [http://www.ruralwater.org/house interior subcommittee 2013.pdf](http://www.ruralwater.org/house%20interior%20subcommittee%202013.pdf)

Congress of the United States
Washington, DC 20515

January 7, 2014

The Honorable Ken Calvert
Chairman, Subcommittee on Interior, Environment and Related Agencies
House Committee on Appropriations

Dear Chairman Calvert:

We are writing to urge your support of our legislation, H.R. 654, *The Grassroots Rural and Small Community Water Systems Assistance Act*, that is intended to reauthorize and enhance funding under the jurisdiction of your subcommittee. We would appreciate the opportunity for the language to be a priority in an omnibus appropriations bill. There is some urgency in enacting this legislation as the authorization and appropriation are currently expired.

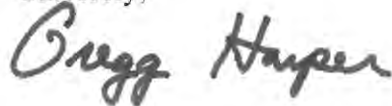
Our legislation would reauthorize the small and rural community Safe Drinking Water Act (SDWA) technical assistance provision and provide additional statutory directives to the Administrator of the U.S. Environmental Protection Agency (EPA). If enacted, the new directives would ensure that any funding appropriated would be targeted for the most beneficial assistance for small and rural communities attempting to comply with all of the rules and regulations under the SDWA.

Over 94% of the country's 51,651 community drinking water supplies serve populations under 10,000 persons. Over 80% of the country's 16,255 sanitation or sewer systems serve populations under 10,000 persons. Small and rural communities often have a difficult time, due to their limited customer base, when it comes to providing safe water and compliance with federal standards. As a result, the cost of compliance is often dramatically higher per household.

Our small and rural communities in Mississippi and Utah tell us that this EPA funded local initiative is the most effective environmental protection and compliance effort for drinking water and wastewater, groundwater, and source water protection. Small communities across the country rely on this local/on-site technical assistance and training for compliance.

We urge you to support H.R. 654 and include the provisions in an omnibus appropriations bill. Thank you for your consideration.

Sincerely,



Gregg Harper
Member of Congress



Jim Matheson
Member of Congress