

**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.