Opening Statement of the Honorable John Shimkus Subcommittee on Environment Hearing on "H.R.__, Drinking Water System Improvement Act and Related Issues of Funding, Management, and Compliance Assistance under the Safe Drinking Water Act May 19, 2017

(As prepared for delivery)

The Subcommittee will now come to order.

I want to thank our witnesses for joining us today, one from as far away as Alaska and the other as close as Pennsylvania. No matter how many miles you traveled to be with us, we are grateful for the time and financial sacrifice you are making to share your expertise with us today.

I also want to mention that, even though they did not have send someone to present oral testimony, I appreciate that the Environmental Protection Agency provided us written statement to be included in our hearing record, so ordered.

I am also pleased to announce that the Agency has agreed to taken written questions from Members for our hearing record. This is a highly unusual, but essential step to making this hearing record as complete as possible and we, obviously, consider the Agency an important player whose technical experience and input is critical to the quality of our work.

I now recognize myself for 5 minutes for giving an opening statement.

Today, our panel continues its look broadly at our nation's drinking water infrastructure and examine questions about what is necessary for the Federal government to do in the way of planning, reinvestment, or technical support of these systems to meet future needs.

The Discussion Draft, which is the subject of the hearing, is meant to build on the testimony from our last hearing and help our subcommittee think more precisely about what items should be prioritized for legislation and how they should be addressed in that legislation.

Importantly, the Discussion Draft is not a finite universe of the issues that the Committee is open to considering. It is a true baseline for conversation and an

invitation for feedback on refinements or suggested alternative approaches and an opportunity to make the case for including additional issues.

I know that some of us here would are curious why one provision or another is not added, I hope we can talk about those things today. I suspect we might be able to find agreement on some of those issues after we have had some time to find out each other's objectives and reflect on the best way to balance the needs of water consumers, providers, and program implementers.

Let me take a minute to explain some items in the Discussion Draft and why they are.

Based on oral testimony and written responses for the record, the water utility groups that testified at the last hearing talked about the importance of partnerships for addressing growth and compliance issues. The Discussion Draft proposes language to allow contractual arrangements for management and engineering services that will get a water system into compliance.

Under questioning, many of the witnesses mentioned the import role that asset management can play in addressing short and long-term water system needs, but that mandating this requirement would be challenging. The Discussion Draft has States consider how to encourage best practices in asset management and has EPA update technical and other training materials on asset management.

We received testimony on the need to further aid disadvantaged communities. The Discussion Draft increases the amount a State can dedicate to disadvantaged communities to 35 percent of their annual capitalization grant and permits States to extend loan repayment for these communities by another 10 years.

We received testimony on the need to increase funding for the Drinking Water State Revolving Loan Fund and the Public Water System Supervision grants, but not specific recommendations about what a realistic number is -- or whether commensurate budgetary cuts will offset these increases. In response to this, the Discussion Draft creates 5-year authorizations for appropriations of both of these programs, but leaves them blank to allow a greater and more specific conversation to occur.

This will not be easy -- some of these conversations will be very difficult, but we will have to have them in an open an honest manner, but this is not new. Anyone

who has been around our subcommittee for a while knows we have a reputation for tackling challenging issues.

As I said earlier, we are at the beginning of this journey – with the Discussion Draft a baseline -- and we are not close to the finish line.

With that, I yield back my remaining time and now yield to my friend from New York, the Ranking Member of the Subcommittee, Mr. Tonko.