

March 29, 2022

Chairman Paul Tonko
House Subcommittee on Environment
and Climate Change
U.S. House of Representatives
Washington, DC 20515

Ranking Member David McKinley
House Subcommittee on Environment
and Climate Change
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Tonko and Ranking Member McKinley:

On behalf of all small and rural communities across the country, the National Rural Water Association is very appreciative of the U.S. Congress for the enactment of the bipartisan "Infrastructure Investment and Jobs Act" (IIJA). This legislation and its approximately \$50 billion in water infrastructure funding will be remembered as one of the most significant public drinking water and wastewater initiatives in the country, especially in rural America.

Our member communities have the very important public responsibility of complying with all applicable regulations and supplying the public with safe drinking water and sanitation every second of every day. However, most all water supplies in the U.S. are small; 91% (45,273) of the country's 49,708 drinking water supplies serve communities with fewer than 10,000 persons, and 81% (40,258) serve communities with fewer than 3,300 persons.

Small and rural communities have more difficulty affording public drinking water and wastewater service due to low population density and lack of economies of scale. This challenge is compounded by the fact that rural communities have lower average median household incomes and often have higher poverty rates. Likewise, we have a much more challenging time complying with Safe Drinking Water Act (SDWA) regulations due to small communities' lack of technical resources. While we have fewer resources, we are regulated in the exact same manner as a large community. Many small communities have only one operator with multiple duties beyond just water treatment. A large community, on the other hand, may have a team of technical experts, including engineers, chemists, and highly trained operators - all as part of their full-time staff. Small community water infrastructure projects can be more challenging to fund because they are smaller in scale – meaning numerous, very complicated applications have to be completed and approved as opposed to one large project. This is compounded by the reality that small communities lack the administrative expertise to complete the necessary application process.

Congress included numerous beneficial provisions for rural and disadvantaged communities in the IIJA that will allow them to access the new funding and overcome their challenges of lack of technical capacity including the expansion of technical assistance, subsidized funding, or grants targeted to the communities with the greatest need, and the targeting of funding assistance to disadvantaged communities which will often be rural and small. We are grateful that Congress created the IIJA with these provisions and priorities which ensure that the new federal drinking water funding will be targeted to the neediest communities and solve the most pressing drinking water safety challenges in the country. We also appreciate the fact that the IIJA does not include any new federal unfunded mandates on local governments.

We believe the Environmental Protection Agency's (EPA) March 8, 2022, IIJA implementation memorandum appropriately reflects the Congressional priorities in the Act to assist rural and disadvantaged communities. We look forward to working with the EPA and our state government partners to help ensure the funding is quickly delivered to local communities' most pressing drinking water projects. EPA's memorandum is an excellent and essential first step in ensuring the funding will be used in the most effective manner possible throughout the country.

This committee is very important to rural and small-town America. Every federal dollar that has been granted to the many thousands of small towns to build, expand, and maintain their drinking water infrastructure through the drinking water state revolving fund was authorized by this committee. Also, every provision of the Safe Drinking Water Act was likewise authorized by this committee.

We are eager to express our strong support of the IIJA and acknowledge the numerous opportunities this committee has provided rural America to testify and be included in the crafting of federal water and environmental legislation.

Sincerely,

A handwritten signature in black ink, appearing to read "Matthew Holmes", with a long horizontal flourish extending to the right.

Matthew Holmes
Chief Executive Officer