

1) Increase Appropriations for EPA Rural Water Technical Assistance and USDA's Rural Water Grants and Loans.

Congress authorized technical assistance in the SDWA and CWA to ensure that EPA regulations would not overwhelm small and rural communities - and because small communities typically need assistance versus enforcement to improve and protect their water resources. Without these initiatives, effective implementation of the SDWA and CWA in rural areas would be nearly impossible. However, the amount of technical assistance provided within the EPA's budget has been in decline for the past 3 years. This trend needs to be reversed in 2008 for small communities to be able to manage EPA regulations (including arsenic, radon, operator certification, disinfection byproducts, and the ground water rule, NPDES – and the over 80 EPA rules currently on the books). The main source of assistance for compliance with these mandates will be state rural water associations' in-the-field staff. Congress provided \$563 million for this USDA initiative this year, and it needs to be double to meet current needs across the states. Small communities have the greatest difficulty providing safe, affordable public drinking water and wastewater services due to limited economies of scale and less technical expertise. Without this USDA funding assistance, many could not construct new systems, expand existing ones, or comply with mandates. Passage of the Farm Bill, in the first part of 2008, is a priority for Rural Water – the Senate Farm Bill includes an additional \$135 million of USDA grant and loan funding.

2) Regulatory Reform of the SDWA, Both Administratively and Legislatively.

Reform is needed to ameliorate the regulatory status quo, where thousands of small and rural water communities are forced to spend limited public funds for compliance when there is not an identified public health risk from non-compliance – specific reforms include streamlining the EPA exemptions process to assist more communities facing unreasonable costs, changing EPA's affordability and variance provisions. Passage of Senator Inhofe's bill that mandates – for standards that are driven by cost (economics) – be no more expensive in rural and small communities, than in large communities. We should not be fining small communities, especially low-income communities, because they don't have the funds to comply with uniform regulations that are not necessary for public health protection. The EPA is currently convening a Federal Advisory Committee Act panel to review the EPA's Total Coliform Rule – a priority of ours will be to reform the Public Notification requirements of this rule so that the public is provided clear and accurate information on the safety of their drinking water quality.

3) Ensuring that Any New Federal Water Security Policies (DHS or EPA) Are Reasonable When Applied to Small and Rural Communities.

The House Homeland Security Committee is considering whether additional legislation is needed to better secure chemical facilities including drinking water and wastewater systems. The Committee released draft legislation, which could include new federal authorities including reviews of whether communities could change treatment to increase security. This authority could be used to move communities away from gas chlorine. Rural Water has taken the position that: the decision on which disinfection process to use should remain a local decision, and that gaseous chlorine should be available where it is safely protected and necessary for public health protection. We have also urged the federal government to prioritize assistance to small communities to ensure local adoption of the most protective security plans possible. DHS is pushing for a consistent vulnerability assessment tool to be used throughout the water sector and the rest of the 17 other critical infrastructures – called RAMCAP. We need to ensure that DHS includes SEMS in their program to convert VA methods to be RAMCAP compliant. The project could result in a future national standard for vulnerability assessment that should be based on the SEMS methodology. Over 90% of communities used SEMS, and it is better tailored to small community vulnerability and limited resources.