**Testimony of the**

# National Rural Water Association

**and the**

# Minnesota Rural Water Association

**Before the**

# U.S. House Appropriations Committee

Fiscal Year 2021 Interior-Environment Appropriations
Monday, February 24, 2020
(Saint Paul, Minnesota)

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*Headquartered in Duncan (Oklahoma),* ***the National Rural Water Association (NRWA)*** *is the non-profit association of the federated state rural water associations with a combined membership of over 30,000 small and rural communities. NRWA is the country's largest water utility association and the largest community-based environmental organization. State Rural Water Associations are non-profit associations governed by elected board members from the membership. Our member utilities have the very important public responsibility of complying with all applicable U.S. Environmental Protection Agency (EPA) regulations and for supplying the public with safe drinking water and sanitation every second of every day.*

***Minnesota Rural Water Association (MRWA)*** *was founded in 1978, to provide the latest information, education, and technical assistance to protect our public waters and improve the quality of life in Minnesota. We are a non-profit association governed by a board of directors. We are staffed with full-time personnel trained to offer professional on-site technical assistance and training to water and wastewater system personnel in managerial, financial, and operation and maintenance of systems, as well as source water protection. MRWA employs full-time technicians and specialists who act as "circuit riders" visiting water and wastewater systems in Minnesota. We assist communities and systems in complying with complex regulations to protect public health and the environment by providing on-site technical assistance and specialized training. We provide assistance in areas of state and federal regulations, fiscal management, system operation and maintenance, system development, groundwater wellhead protection, source water protections, leak detection, line locating, sewer televising, smoke testing, water audits, rate studies, security vulnerability assessments and emergency response plans, and so much more! We provide unique, hands-on and classroom style training for certified water and wastewater operations specialists. MRWA hosts the largest water and wastewater Technical Conference and Exposition in Minnesota.*

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Most all water supplies in the U.S. are small; 91% of the country's 50,063 community drinking water supplies and 80% of the country's approximately 16,000 wastewater supplies serve fewer than 10,000 persons. Often, a small or rural community operates both a water and sewer utility.

When thinking about national water infrastructure proposals, please remember that most water utilities are small and have more difficulty affording public water service due to lack of population density and limited economies of scale. The small community paradox in federal water policy is that while we supply water to a minority of the country's population, small and rural communities often have more difficulty providing safe, affordable drinking water and sanitation due to limited economies of scale and lack of technical expertise. Also, while we have fewer resources, we are regulated in the exact same manner as a large community; compliance and water service is often a much higher cost per household.

To ensure that the Safe Drinking Water Act (SDWA) and the Clean Water Act (CWA) water infrastructure provisions help rural and small town America, we urge Congress to consider the following three policy principles:

- Environmental Protection Agency (EPA) water funding programs should be primarily dedicated to the compliance burden (per capita) with EPA's federal mandates. Currently, the SDWA and the CWA are creating a tremendous financial burden on small and rural communities.

- Authorize water infrastructure programs the ability to provide grants – not just loans – on needs-based criteria. The state revolving loans achieve this principled objective by requiring that federal subsidies be targeted to the communities most in need based on their economic challenges combined with the public health necessity of the project. Commonly, low-income communities do not have the ability to pay back a loan, even with very low interest rates, and require some portion of grant or principal forgiveness funding to make a project affordable to the ratepayers. The federal government should only subsidize water infrastructure when the local community can't afford it and there is a compelling federal interest such as public health, compliance or economic development.

- A small percentage of water infrastructure funding should be set-aside for technical compliance and application assistance for small communities. Providing these small communities with shared technical resources allows small communities to: have access to technical resources that large common communities have and are needed to operate and maintain water infrastructure; comply with standards in the most economical way; and obtain assistance in applying for state revolving loan funds. Often, this assistance saves thousands of dollars for the community and keeps the systems in long-term compliance with EPA rules.

We respectfully urge the committee to make funding to assist small and rural communities comply with federal regulations a priority in the fiscal year 2021 Interior Appropriations bill.

Specifically, please fully fund ($15,000,000) the Grassroots Rural and Small Community Water Systems Assistance Act (Public Law 114-98) and fund the recently enacted on-site technical assistance initiative, §4103, "Technical Assistance for Treatment Works," in the America's Water Infrastructure Act of 2018 for $13,000,000 in fiscal year 2021. Both of these laws were carefully

crafted by Congress to ensure the funding would benefit our communities at the local level in the manner they find most helpful. We urge you to ensure that is occurring within the EPA.

Unfortunately, due to limited economies of scale and lack of technical expertise, these small and rural communities often have difficulty complying with the federal Clean Water Act and Safe Drinking Water Act mandates. It is important for EPA to recognize that small local water supplies are operated and governed by people whose families drink the water every day and people who are locally elected by their community. Some of the smallest communities rely on volunteers to operate their local drinking water supplies. Enhancing drinking water and wastewater quality in small communities is more of a resource than a regulatory problem. The most successful approach for technical assistance is the "circuit rider" concept which provides an expert with experience in water utility operations and compliance, who can travel directly to small and rural communities, as needed, to assist with rule compliance and generally eliminate the need for civil-enforcement. Additionally, it is essential that the assistance provider only represents the community's interest in order to identify the most economical solution and provide the best advice for local decision-makers. What small and rural communities want and need is to know how to comply in a simple and affordable manner – and similarly, how to operate and maintain their water utilities. With additional resources, it would be very possible to provide such on-site assistance and assessment to every small community out of compliance with EPA water and wastewater rules, correct the situation, or develop a workable plan to return to compliance in the near future.

This on-site technical assistance effort is essential in helping small and rural communities overcome their limitations in protecting our water resources and providing safe public sanitation. The type of assistance authorized under these Acts is on-site services provided by circuit rider-type technicians or technicians who can provide in-field services shared within a state. The circuit rider concept was designed by Congress to allow small communities access to technical expertise that is available to larger communities. Each community's water infrastructure is unique, which means technical assistance must be available to address a community's particular problem.

These small public water systems and the communities they serve rely on on-site technical assistance for meeting federal training regulations, complying with EPA regulations, navigating EPA fines, and operating their drinking water utilities. Of the billions of dollars provided to EPA by Congress each year, smaller communities who lack access or resources to obtain this kind of technical expertise will tell you the most benefit comes from the dollars provided to on-site technical assistance provided by circuit riders. In addition, the value of this funding is amplified as these staff members often educate and train others to maintain these water systems.

All communities want to ensure quality wastewater and stay in compliance, and this type of technical assistance provides them the technical resources to do so. We urge you to fully fund these critical technical assistance programs as you craft fiscal year 2021 appropriations legislation.

Thank you for your consideration.