LEADERS IN WATER



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November 20, 2024

The Honorable Tom Carper Chairman Committee on Environment and Public Works United States Senate Washington, DC 20510

The Honorable Shelley Moore Capito Ranking Member Committee on Environment and Public Works United States Senate Washington, DC 20510

Dear Chairman Carper and Ranking Member Capito:

The Association of Metropolitan Water Agencies (AMWA) appreciates the opportunity to submit this statement for the record of today's hearing on "The Successes, Challenges, and Future of the Safe Drinking Water Act." AMWA's members provide quality drinking water to more than 160 million Americans from coast to coast, and we commend the Committee for recognizing the landmark 50th anniversary of this hallmark statute with today's hearing.

AMWA first extends its congratulations to Chairman Carper and Senator Cardin as they prepare to conclude their terms serving the public as U.S. Senators. We are grateful for their leadership and dedication to protecting clean drinking water for all. From advocating for water infrastructure upgrades to investments in resiliency and policies to protect public health, their leadership has been pivotal in creating cleaner, more sustainable and affordable drinking water.

The association also recognizes Senator Capito's long track record as a supporter of water infrastructure investment and reasonable regulatory oversight. AMWA looks forward to working with her as this Committee continues its important work in the 119th Congress.

AMWA appreciates the Committee's ongoing commitment to helping the nation's drinking water systems access resources to protect public health and comply with a growing list of regulatory mandates from EPA. Just this year, EPA has finalized new regulations to establish maximum contaminant levels for several perand polyfluoroalkyl substances (PFAS) in drinking water, designate certain PFAS as hazardous substances, and require the replacement of virtually all the country's publicly and privately owned lead service lines within a period of ten years. These are massive undertakings that the water utilities are prepared to tackle, but compliance with these new mandates will cost tens of billions of dollars – at least – and the bill will

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ultimately be paid by individual water system ratepayers unless the federal government steps in with meaningful assistance beyond what has been provided to date.

Nearly four years ago this Committee developed and approved the Drinking Water and Wastewater Infrastructure Act of 2021, landmark legislation that served as the basis of the Infrastructure Investment and Jobs Act (IIJA) that was enacted as part of the Bipartisan Infrastructure Law (BIL). The funding made available through this legislation has helped public water systems begin to address the myriads of challenges they face, but the work is far from complete. As the Committee recognizes SDWA's 50th anniversary and looks ahead to the 119th Congress, it should redouble its commitment to public health and water quality by reauthorizing expiring water infrastructure programs and setting funding targets that are in proportion to the task at hand.

Water Infrastructure Funding Needs and BIL Support

The current funding and program authorizations included within BIL and IIJA are playing a critical role in ensuring that the nation's drinking water infrastructure will be resilient to the challenges of tomorrow. In particular, the law's nearly \$50 billion worth of additional federal spending on drinking water and wastewater infrastructure over five years is making strides to help systems repair aging water infrastructure and comply with expanded regulatory mandates related to PFAS, lead, and other contaminants.

Water systems across the nation are benefitting from this funding. For example, Pittsburgh Water has secured \$149 million in BIL funding for lead service line replacement and small diameter water main replacement projects, helping the community make progress toward its goal of replacing all lead service lines by 2026. Similarly, the Suffolk County Water Authority in New York has received more than \$1 million from BIL emerging contaminant funding to extend public water service to a community currently served by PFAS-laden private wells.

However, the national needs far outweigh the funding provided by the BIL. The cost of replacing lead service lines alone – as mandated through the Lead and Copper Rule Improvements (LCRI) promulgated last month – could cost water systems as much as \$12.6 billion annually over ten years.³ Meanwhile, community water systems will face billions of dollars in annual costs to comply with EPA's new drinking water standards for several PFAS chemicals.

In contrast, the BIL provided just \$15 billion over five years *in total* funding dedicated to lead service line replacement, and another \$9 billion over five years to help communities address emerging contaminants like PFAS. But this additional funding is set to expire in 2026 just as communities will be beginning their ten-year sprint to replace all lead service lines pursuant to the LCRI, and gearing up to comply with the new drinking water standards for PFAS. To avoid imposing two massive unfunded mandates on water

 $^{^{1}\} https://www.pgh2o.com/news-events/news/press-release/2024-10-31-epa-stops-pittsburgh-celebrate-lead-service-line$

² https://www.scwa.com/suffolk-county-water-authority-secures-125-million-for-water-main-extension-project-in-westhampton/

³ https://www.amwa.net/system/files/linked-files/AMWA_EPA_%202024%20comments%20on%20LCRI.pdf

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systems and their ratepayers, Congress must at minimum extend these lead service line replacement and emerging contaminant funds and ensure they are directed to the communities most in need of assistance.

Lead service line replacement and emerging contaminant funding needs are just part of a larger water infrastructure challenge facing the nation. Last year, EPA released the results of its 7th Drinking Water Infrastructure Needs Survey and Assessment, which found that the nation's drinking water systems require approximately \$625 billion over the next twenty years just to maintain current levels of service. While the funding provided in the BIL represents an important step forward, it only scratches the surface of the needed long-term investment in our nations water utilities.

Essential IIJA Reauthorizations

Just as this Committee should work toward extending the increased funding for water infrastructure needs provided through the BIL, in the coming year it should also develop legislation to reauthorize several of the critical water infrastructure assistance programs that were authorized or reauthorized as part of IIJA. As Congress has begun to appropriate funds for several of these programs, and EPA has started to make grant funding available, it is essential that the Committee make a commitment to reauthorizing these programs so they can achieve their full potential in the years ahead.

For example, a key initiative authorized as part of IIJA was the Midsize and Large Drinking Water System Infrastructure Resilience and Sustainability Program at EPA.⁵ This program is designed to help drinking water systems withstand the effects of natural disasters, extreme weather, and cyber threats. With funding in hand, communities could begin planning projects to better prepare for increased rain and extreme storms, higher air temperatures, and rising sea levels, while enhancing cyber defenses.

Congress appropriated \$7.25 million for the Midsize and Large Drinking Water System Infrastructure Resilience and Sustainability Program over the 2023 and 2024 fiscal years, and EPA is expected to begin soliciting applications for the funds before the end of the year. However, this \$7.25 million appropriation pales in comparison to the program's fully authorized amount of \$250 million over five years. If fully funded, the program could help scores of communities across the country take meaningful steps to address these emerging threats.

Another key program reauthorized in IIJA was EPA's Reducing Lead in Drinking Water grants, which were established as part of the WIIN Act in 2016. Since 2020, EPA has awarded more than \$70 million in grants through the program to help communities replace lead service lines and otherwise reduce exposure to lead in drinking water. The agency recently announced the availability of an additional \$35 million in funding for the program. Especially as communities face the daunting task of replacing all lead service lines within the 10-year timeframe dictated by EPA, these funds will play a critical role in ensuring that disadvantaged communities and their ratepayers are not left behind.

⁴ https://www.epa.gov/system/files/documents/2023-04/Final_FAQ_DWINSA_4.4.23.v1.pdf

⁵ https://www.epa.gov/dwcapacity/midsize-and-large-drinking-water-system-infrastructure-resilience-and-sustainability

⁶ https://www.epa.gov/dwcapacity/wiin-grant-reducing-lead-drinking-water

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The current authorizations for the Midsize and Large Drinking Water System Infrastructure Resilience and Sustainability Program and the Reducing Lead in Drinking Water grant program each expire after the 2026 fiscal year. AMWA therefore urges the Committee to prioritize advancing legislation to extend each program – as well as other important IIJA authorizations – to provide communities and water systems with the financial resources necessary to address upcoming regulatory and sustainability challenges.

The Safe Drinking Water Act at 50

Aside from the need to extend BIL funding and IIJA authorizations, the 50th anniversary of the Safe Drinking Water Act provides an opportunity for Congress to consider what works well in the statute, and whether there are potential areas for improvement.

In terms of what works well, AMWA believes that the 1996 Amendments to SDWA took the right approach to establishing a deliberative, transparent, and science-based process through which EPA may consider, propose, and implement national primary drinking water regulations that govern the presence of contaminants in drinking water.

Unlike the 1986 iteration of SDWA, the 1996 Amendments established no quota for new contaminant regulations over time. This was a critical improvement – the 1986 Amendments directed EPA to promulgate 80 new drinking water regulations within three years, and another 25 regulations by 1991. This meant that success was measured by the number of new regulations enacted, thus forcing the agency to attempt to set standards for dozens of contaminants regardless of whether they were likely to be found in the nation's water supplies at levels of concern. In practice, this forced communities nationwide to divert resources toward screening for this growing list of substances rather than focusing their investments on specific contaminants that may pose a greater public health risk. And because publicly owned water systems are directly funded by their ratepayers, these additional compliance costs were paid for by members of the public, some of whom were, just like today, already struggling with water affordability challenges.

EPA never was able to issue all the regulations mandated by the 1986 Amendments, and the 1996 updates to the statute reflected Congress' desire for EPA to consider the ability of water systems to cost-effectively meet new regulatory standards alongside the public health benefits that such mandates could deliver. As the nation marks SDWA's 50th anniversary, AMWA strongly supports the preservation of the transparent, science-based regulatory process that are enshrined in section 1412 of SDWA.

While AMWA supports the overall structure of the 1996 SDWA Amendments, the association is open to working with the Committee to explore areas where the statute could be improved. For example, the association recognizes that the slow pace to develop a final regulation, once the decision to regulate a contaminant has been made, can be frustrating for all parties involved. While the statute requires EPA to publish a proposed drinking water regulation for a contaminant within 24 months after making the decision to regulate, and to finalize that regulation after another 18 months, those deadlines have not always been met. Congress may therefore wish to explore ways to hold EPA to the statutory deadlines for proposing and finalizing deadlines, provided it can be done in a way that still affords the agency a sufficient opportunity to consider all appropriate science and maintain transparency and opportunities for public comment.

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Ultimately, though, AMWA believes it is preferable to develop a sound, scientifically justified drinking water standard, rather than one that is developed quickly.

AMWA further encourages the Committee to explore whether SDWA could benefit from additional clarity related to EPA's authority to develop non-enforceable, non-regulatory Health Advisories (HAs) for any contaminant that is not presently subject to a national primary drinking water regulation. SDWA does not outline criteria or a process for the issuance of HAs, and EPA has framed these advisories as a means to offer "technical information on chemical and microbial contaminants that can cause human health effects and are known or anticipated to occur in drinking water." But this can send a confusing message to the public and the media, and can lead to an HA being interpreted as a de-facto regulation. AMWA supports the development of a formal process and criteria that govern the development of HAs, with a focus on the risks associated with chemicals in close proximity to water supplies and regional and localized contaminants of concern. When HAs are issued, AMWA encourages EPA to proactively emphasize to the public and media that they do not represent binding regulations.

Finally, it is essential that the Committee recognize the cost that infrastructure renewal and regulatory compliance efforts have on water system ratepayers – particularly those at the lower end of the income scale. Even with the funding provided by the BIL, the vast majority of infrastructure investment and regulatory compliance costs will be passed on to customers through their water and wastewater bills. When these costs escalate – as they did over the decade ending in 2021, when water and sewer rates increased by 43% nationwide⁸ – the service can become unaffordable for the most vulnerable households, leading to a loss of water service and reduced operational revenues for utilities. In response, AMWA supports establishment of a permanent, federal low-income water assistance program that will help vulnerable households maintain access to this vital service. The federal government has long maintained social safety net programs to ensure vulnerable communities have access to essential needs, like nutritional assistance and home heating and cooling. A similar initiative to help low-income households maintain basic drinking water and sanitation services would greatly contribute to the health and economic well-being of the nation.

Addressing New Challenges

SDWA's golden anniversary is also an opportunity for the Committee to consider strategies to help public water systems address new challenges that could not have even been envisioned fifty years ago. Among these new challenges is how to best help water systems access information and resources to protect themselves against physical and cyber threats.

Fortunately, the water sector has developed resources to help drinking water and wastewater systems take steps to increase their preparedness to these risks. Chief among these is the Water Information Sharing and Analysis Center, or WaterISAC. Established in 2002, today WaterISAC is one of more than two-dozen sector-specific ISACs in operation. It collects, analyzes, and disseminates actionable threat information to member drinking water and wastewater systems, while also offering guidance on risk mitigation tools, best practices, and response actions that contribute to an all-hazards resiliency posture.

⁷ https://www.epa.gov/sdwa/drinking-water-health-advisories-has

⁸ https://www.waterworld.com/water-utility-management/press-release/14209257/water-rates-up-43-over-last-decade

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However, as an independent non-profit organization, WaterISAC receives no state or federal grant funding and therefore operates as a dues-based subscription service. Currently utility staff from roughly 600 water and wastewater systems across the country are members of WaterISAC, but with additional resources access to the service could be broadened to even more water utility professionals across the country.

This is why AMWA supports S. 660, the Water System Threat Preparedness and Resilience Act sponsored by Sen. Ed Markey. The bill would expand WaterISAC participation by authorizing a targeted EPA assistance program that would offset costs incurred by community water systems and treatment works associated with maintaining or initiating WaterISAC memberships. The program would also direct EPA to encourage eligible entities to participate in WaterISAC and to cooperate with WaterISAC on incident data collection and analysis of threats to the water sector.

As the Committee considers legislative options to promote the preparedness and continued operations of drinking water and wastewater systems considering today's threats, AMWA believes WaterISAC is prepared to pay a key role. The association is eager to work with you on this priority.

Conclusion

Again, AMWA appreciates the opportunity to submit this statement for the record of today's hearing. The Safe Drinking Water Act has helped promote clean and safe water nationwide for fifty years, and the association values the Committee's partnership in making even greater progress over the next fifty. Thank you, and AMWA and its members are eager to continue to work with you.

Sincerely,

Tom Dobbins

Chief Executive Officer

Thomas Salling

Cc: Environment and Public Works Committee members