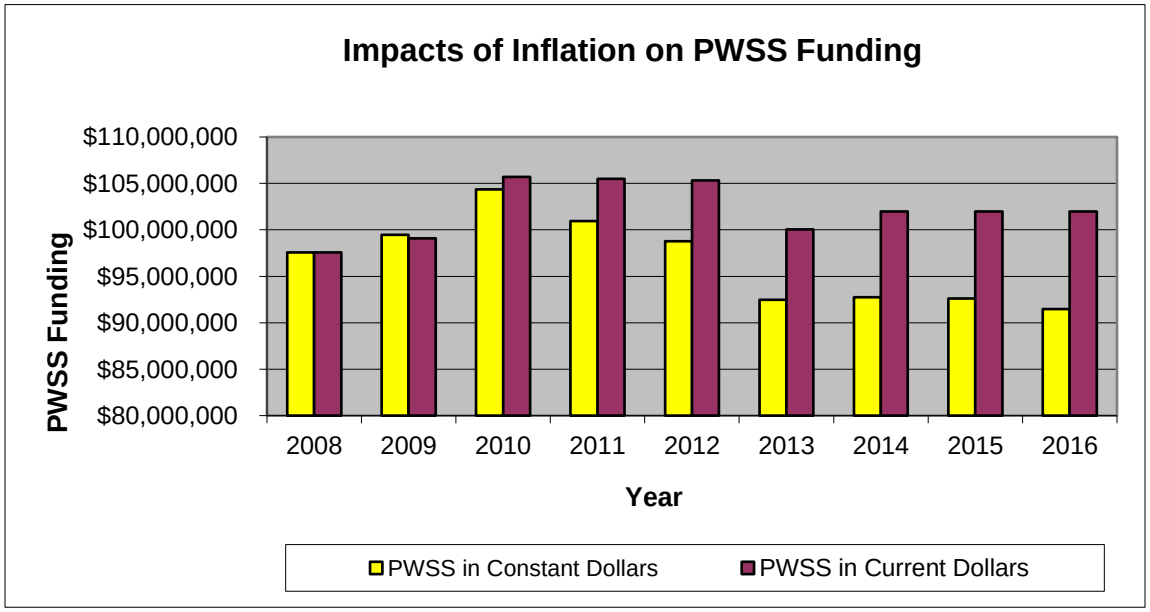
PUBLIC HEALTH IMPLICATIONS FROM FLAT FUNDING
The Public Water System Supervision (PWSS) Program

September 2017

What is the PWSS Program?

State and territorial drinking water programs (except for Wyoming) are responsible for ensuring the approximately 150,000 public water systems across the United States protect public health and comply with National Primary Drinking Water Regulations. Funding for the states' ability to fulfill this mission comes from four sources. The two primary sources are from the Environmental Protection Agency's (EPA's) Public Water Supply Supervision Program (PWSS) and the set-asides from EPA's Drinking Water State Revolving Loan Fund (DWSRF). The other two funding sources vary considerably from state to state and include funding from the state's general fund and fees from water systems for plan review, inspections, etc.

PWSS funding increased in the 1980s and 90s to reflect the increased regulatory workload for the states and territories, but has plateaued over the past 20 years. Since 2008, the PWSS appropriation has hovered around $100 million and has not kept pace with inflation as shown below:



The gap between flat funding and inflation is significant. In FY14, Congress funded the PWSS program at $101.9 million, an amount that has not increased since then. FY18 funding is expected to either reflect the same level of funding, or possibly decrease.

Flat Funding for the PWSS Program Threatens Public Health

Despite flat funding for the PWSS program over the past 20 years, PWSS implementation costs for the states and territories have continued to rise. When the 1996 Safe Drinking Water Act (SDWA) amendments were promulgated, state drinking water programs implemented public health protection regulations for 83 contaminants. Today, they implement regulations for more than 90 contaminants, and the newer regulations are considerably more complex and challenging to implement than prior regulations. At the same time, states realized the benefit of protecting public health more proactively, and implemented these effective initiatives,

such as source water assessments and protections; technical assistance with water treatment and distribution; and enhancement of overall water system performance capabilities.

Limiting or decreasing funds to an already very constrained state budget further constrains the ability for state administrators to fulfill their mission of protecting public health. This reduction forces administrators to make spending choices with considerable financial, legal, health and social risks, such as deferring infrastructure investments, cutting inspections or reducing water quality testing. The most critical of these risks is the one to public health. Put simply, decreasing these funds, or keeping them flat, puts the health of their citizens in jeopardy.

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In addition to the threat to public health this more reactive approach creates, it's also costly: in the water infrastructure sector, the cost to repair a system after a failure is often double or triple the cost of proactive replacement. Other impacts of deferred and delayed investment and reduced inspections can include significant legal actions and costs, because of failures. One only need to consider the catastrophe in Flint, Michigan to realize the consequences cost cutting and a reactive approach to water system management can have on a public water system and it the people it serves.

Additional Consequences of Flat Funding

These consequences are not theoretical, as the case of Flint adequately illustrates, and they are among the top concerns of our state and territory members. In fact, when our members were polled earlier this year, they gave the following answers to the question - what impacts would a 10 or 20 percent PWSS grant cut have on your programs?

- We would focus principally on enforcement.
- We would consider returning primacy to EPA.
- We would reduce or eliminate the technical assistance we provide.
- We would reduce or eliminate operator and/or staff training.
- We would reduce sanitary surveys, the fundamental face-to-face contact we have with water systems to identify potential problems and discuss solutions.
- We would reduce sampling and monitoring, including level 1 & 2 assessments under the revised total coliform rule, pushing those costs to the systems and reducing the information available to the states

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It's important to note that none of our members believed a shortfall in PWSS funding could or would be offset by increases in state funding or fees.

Our members further explained that cuts to PWSS programs would disproportionately affect small systems and non-community systems, which represent the majority of systems they serve. The loss in technical assistance for these water systems would cause them to have more violations with the potential for serious public health consequences.

As further evidence of the likely negative consequences of a decrease in PWSS funding, Pennsylvania's Department of Environmental Protection sent a letter to EPA Administrator Scott Pruitt in March that outlined the potential impacts of substantial PWSS cuts on the citizens and businesses of Pennsylvania, including the statement, "…at least 30% fewer inspections for the Commonwealth's 8,500 public water systems [would occur], hampering our ability to detect contaminants like lead, waterborne pathogens, and putting Pennsylvania's 10.7 million water customers at risk."

More recently, the Water Quality Control Division in Colorado's Department of Public Health and Environment posted a fact sheet describing staff and service level reductions should Federal funding decrease for the drinking water program. The August 10 statement includes several program areas that would see significant reductions, including:

- Sanitary survey inspections would be reduced by about 40 inspections per year. On average, the state identifies about one significant health risk per inspection; such a reduction would directly raise the threat of water contamination.
- Delays in water infrastructure design reviews. The backlog of projects is typically three to four months. Further delays will result in a slowdown of needed construction projects for infrastructure that support safe drinking water, the economy, and job creation.
- Cancellation of planned roundtable meetings across the state designed to assist small, rural water systems in understanding and complying with the new Lead Rule requirements.

In general, Colorado reports, reduced compliance assistance efforts that decrease violations data will result in:

- Less staff time reviewing self-reported monitoring data
- Less support to ensure that required sampling is completed
- Less time reviewing and addressing system operator qualifications
- Fewer trainings provided.

As a result, Colorado says, these changes will increase the numbers of violations issued to public drinking water systems, all of which require some form of public notice. These reductions, coupled with staff reductions and abolished positions, increase public health risks by increasing the probability of waterborne disease outbreaks, delaying needed drinking water infrastructure projects and reducing assistance to public drinking water systems across Colorado.

A Funding Increase, Not a Decrease, is What's Needed

These examples represent the very real and dire consequences that reduced funding for the PWSS creates. Continued flat funding for the PWSS program is not sustainable and we urge EPA to consider increasing PWSS funding, not keeping it flat or reducing it.

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A 2013 state drinking water resource needs report estimated the funding gap of $240 million for a minimum based program, and $308 million for a comprehensive program that includes additional activities undertaken by states to achieve the public health protection vision and goals established by the SDWA. Funding for the PWSS program should be double – ramped up over a period of five to ten years to allow states and water systems to achieve the public health goals envisioned by the SDWA.