

Immediate Release
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U.S. Small Business Admin. Calls EPA Rules Unfair for Small Communities – Unfair Rules Still Enforced

(Washington, DC) The U.S. Small Business Administration (SBA) has accepted the petition of the National Rural Water Association (NRWA) to name the Environmental Protection Agency's (EPA) affordability criteria for small communities as one of their "Top 10 Rules for Review." This selection will be announced today by SBA officials at the National Press Club. SBA said streamlining and updating these regulations would help ease the disproportionate federal regulatory burden placed on small communities. NRWA's petition called for increased flexibility in the application of EPA's "variance" rules under the Safe Drinking Water Act. This flexibility is only allowed in cases where innovative technology can reduce compliance cost and ensure protection of public health. EPA has never allowed for the use of variances in small communities.

Mike Keegan, NRWA Analyst said, "*Currently, small communities are prohibited from utilizing economical treatment options (the so-called small system variance technologies), under the EPA rules, because EPA adopted a policy that families can afford annual water rates of 2.5% of median household income (MHI) (or approximately \$1,200 per household). EPA's MHI standard does not consider the quantity, concentration, rural demographics, and financial abilities of low-income families or disadvantaged populations to afford the rule as required by the Agency's Environmental Justice policy [Executive Order 12898]. The current EPA policy threatens public health in low-income rural and small communities by forcing households to pay for increased utilities for EPA compliance that does not improve the safety of their drinking water.*"

Senator Inhofe (OK) has authored legislation (S. 2509) that would improve EPA's current policy and enhance public health, especially in low-income communities by allowing for the use of the SDWA's affordability and variance provisions. Senator Inhofe's bill mandates that – for standards that are driven by cost (economics) – be no more expensive in rural and small communities, than in large communities. It brings equity and fairness to the law's implementation for small towns. It corrects the 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. Without passage of the Inhofe bill, thousands of small communities will be out of compliance with the arsenic and disinfection by-products rules – without the opportunity to utilize the law's affordable variance provision. Low-income communities will be the most severely impacted.

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The National Rural Water Association (NRWA), the largest community based U.S. environmental organization has over 27,000 small and rural community members, strives to protect and enhance drinking water safety and water quality in small and rural communities.

Senator Inhofe said of the SBA announcement, *"I am pleased that the Small Business Administration has called attention to EPA's affordability and small systems variance policies under the Safe Drinking Water Act as one of their Top 10 Rules for Review," Senator Inhofe said. "EPA's policy causes increased regulatory burdens on rural communities and small systems in Oklahoma and across the country. I certainly share SBA's concerns and have worked to address these issues in my bi-partisan bill, the Small Systems Safe Drinking Water Act of 2007. It is my hope that our bill and the Small Business Administration's interest in this policy will correct EPA's policy and assist small systems in coming into compliance with SDWA regulations."*

NRWA thanks the SBA for calling for reform of this federal rule and thanks Senators Inhofe, Nelson, Hagel, Coleman, etc. for their efforts to help small communities provide safe drinking water and comply with federal water regulations.

**NRWA's petition to the SBA is available at
(www.ruralwater.org/sba.pdf).**

**EPA lists 9,436 small communities as non-compliant in 2006
(www.ruralwater.org/sdwis.pdf)**

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