

2 **SSB 5910** - S AMD

3 By Senators Williams, Sutherland, Newhouse and Hochstatter

4 Adopted 3/16/93

5 Strike everything after the enacting clause and insert the
6 following:

7 "NEW SECTION. **Sec. 1.** The legislature finds that a state-wide
8 assessment of water systems has shown that public drinking water
9 systems have a critical need for financial assistance to assure safe,
10 reliable, and viable water supplies, meet the requirements of the
11 federal safe drinking water act, provide for comprehensive planning and
12 regional planning of public water systems, assess the status of the
13 state's drinking water quality, develop least-cost solutions to public
14 water systems through consolidation of small systems into larger and
15 financially viable utilities, and implement demand management
16 strategies to more effectively use the state's financial resources and
17 water resources.

18 The federal government has indicated an intention to provide new
19 funding for water system needs on a national basis within a program of
20 federal investment in infrastructure intended to provide a significant
21 number of jobs nation-wide this year. The state of Washington does not
22 have the broad-based authority and ability to promptly receive and
23 disburse federal assistance to eligible water systems.

24 It is the intent of the legislature to provide for a system of
25 grants and/or loans, in addition to existing state financial assistance
26 programs, that will: (1) Receive and utilize federal funding to
27 provide assistance for planning, design, acquisition, construction,
28 consolidation, and improvement of public water systems facilities and
29 activities; (2) meet the short-term and long-term needs identified and
30 prioritized in the state-wide assessment; and (3) encourage responsible
31 and efficient water system management throughout the state.

32 It is the further intent of the legislature to use existing state
33 funding programs for the administrative and financial mechanisms
34 necessary to ensure prompt and coordinated delivery of the financial
35 assistance to public water systems authorized under this chapter.

1 NEW SECTION. **Sec. 2.** Unless the context clearly requires
2 otherwise, the definitions in this section apply throughout this
3 chapter.

4 (1) "Board" means the public works board.

5 (2) "Department" means the department of health.

6 (3) "Private water purveyor" means a public water system not owned
7 by a governmental body.

8 (4) "Public water purveyor" means a governmental body, including a
9 public or quasi-public organization, that owns and operates a public
10 water system, or the authorized agent of such an entity.

11 (5) "Public water system" has the meaning prescribed in the
12 Washington state safe drinking water act, chapter 70.119A RCW.

13 NEW SECTION. **Sec. 3.** The drinking water assistance account is
14 established in the state treasury. Money may be placed in the account
15 from the proceeds of bonds when authorized by the legislature,
16 transfers from other state funds or accounts, federal financial
17 assistance, or any other lawful source. Moneys from the account may be
18 spent only by the secretary of health or the public works board after
19 appropriation. Expenditures from the account may be used only to meet
20 the purposes of this chapter.

21 NEW SECTION. **Sec. 4.** The department shall, by January 1, 1994, in
22 consultation with the board, purveyors, local health departments, and
23 other interested parties, establish guidelines and requirements for the
24 provision of grants and/or loans to public water systems that are
25 consistent with the findings and intent contained in section 1 of this
26 act. The department shall ensure that guidelines and requirements:

27 (1) Utilize, to the maximum extent, all available federal financial
28 assistance;

29 (2) Are consistent with existing water resource planning and
30 management, including coordinated water supply plans, regional water
31 resource plans, and comprehensive plans under the growth management
32 act, chapter 36.70A RCW;

33 (3) Prioritize least-cost solutions, including consolidation and
34 restructuring of small systems into more economical units and the
35 provision of regional facilities;

1 (4) Assure implementation of water conservation and other demand
2 management measures consistent with state guidelines for water
3 utilities;

4 (5) Provide assistance for the necessary planning and engineering
5 to assure that consistency, coordination, and proper professional
6 review are incorporated into projects or activities proposed for
7 funding;

8 (6) Include minimum standards for financial viability and water
9 system planning;

10 (7) Provide for testing and evaluation of the water quality of the
11 state's public water systems to assure that priority for financial
12 assistance is provided to systems and areas with threats to public
13 health from contaminated supplies and reduce in appropriate cases the
14 substantial increases in costs and rates that customers of small
15 systems would otherwise incur under the monitoring and testing
16 requirements of the federal safe drinking water act; and

17 (8) Are coordinated, to the maximum extent possible, with other
18 state programs that provide financial assistance to public water
19 systems and state programs that address existing or potential water
20 quality or drinking water contamination problems.

21 NEW SECTION. **Sec. 5.** The board shall develop a financial
22 assistance program using appropriated funds from the drinking water
23 assistance account to meet the purposes and implement the guidelines
24 authorized in this chapter. The board shall consult with the
25 department and water purveyors in developing the financial assistance
26 program.

27 The board shall develop criteria for grants and/or loans to be made
28 to public water systems. The criteria shall emphasize public water
29 systems with the most critical public health needs; the capacity of the
30 water system to effectively manage its resources; the ability to
31 promptly commence the project; and the relative benefit to the
32 community served. Priority shall be given to those systems that are
33 ready to proceed, that will provide water system improvements to the
34 greatest number of people, and any other criteria that the board shall
35 develop in consultation with the department and water system purveyors.

