
SENATE BILL 5841

State of Washington

55th Legislature

1997 Regular Session

By Senators Hochstatter, Finkbeiner and Winsley; by request of Department of Health

Read first time 02/17/97. Referred to Committee on Agriculture & Environment.

1 AN ACT Relating to regulation of public water systems; amending RCW
2 64.06.020, 70.119.030, 70.119A.115, and 70.119A.170; and creating a new
3 section.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** The legislature finds and declares that:

6 (1) The provision of safe and reliable water supplies to the people
7 of the state of Washington is fundamental to ensuring public health and
8 continuing economic vitality of this state.

9 (2) The department of health, pursuant to legislative directive in
10 1995, has provided a report that incorporates the findings and
11 recommendations of the water supply advisory committee as to progress
12 in meeting the objectives of the public health improvement plan,
13 changes warranted by the recent congressional action reauthorizing the
14 federal safe drinking water act, and new approaches to providing
15 services under the general principles of regulatory reform.

16 (3) The environmental protection agency has recently completed a
17 national assessment of public water system capital needs, which has
18 identified over three billion dollars in such needs in the state of
19 Washington.

1 (4) The changes to the safe drinking water act offer the
2 opportunity for the increased ability of the state to tailor federal
3 requirements and programs to meet the conditions and objectives within
4 this state.

5 (5) The department of health and local governments should be
6 provided with adequate authority, flexibility, and resources to be able
7 to implement the principles and recommendations adopted by the water
8 supply advisory committee.

9 (6) Statutory changes are necessary to eliminate ambiguity or
10 conflicting authorities, provide additional information and tools to
11 consumers and the public, and make necessary changes to be consistent
12 with federal law.

13 (7) A basic element to the protection of the public's health from
14 waterborne disease outbreaks is systematic and comprehensive monitoring
15 of water supplies for all contaminants, including hazardous substances
16 with long-term health effects, and routine field visits to water
17 systems for technical assistance and evaluation.

18 (8) The water systems of this state should have prompt and full
19 access to the newly created federal state revolving fund program to
20 help meet their financial needs and to achieve and maintain the
21 technical, managerial, and financial capacity necessary for long-term
22 compliance with state and federal regulations. This requires authority
23 for streamlined program administration and the provision of the
24 necessary state funds required to match the available federal funds.

25 (9) Stable, predictable, and adequate funding is essential to a
26 state-wide drinking water program that meets state public health
27 objectives and provides the necessary state resources to utilize the
28 new flexibility, opportunities, and programs under the safe drinking
29 water act.

30 **Sec. 2.** RCW 64.06.020 and 1996 c 301 s 2 are each amended to read
31 as follows:

32 (1) In a transaction for the sale of residential real property, the
33 seller shall, unless the buyer has expressly waived the right to
34 receive the disclosure statement, or unless the transfer is exempt
35 under RCW 64.06.010, deliver to the buyer a completed real property
36 transfer disclosure statement in the following format and that
37 contains, at a minimum, the following information:

38 INSTRUCTIONS TO THE SELLER

1 Please complete the following form. Do not leave any spaces blank. If
2 the question clearly does not apply to the property write "NA". If the
3 answer is "yes" to any * items, please explain on attached sheets.
4 Please refer to the line number(s) of the question(s) when you provide
5 your explanation(s). For your protection you must date and sign each
6 page of this disclosure statement and each attachment. Delivery of the
7 disclosure statement must occur not later than five business days,
8 unless otherwise agreed, after mutual acceptance of a written contract
9 to purchase between a buyer and a seller.

10 NOTICE TO THE BUYER

11 THE FOLLOWING DISCLOSURES ARE MADE BY THE SELLER(S), CONCERNING THE
12 CONDITION OF THE PROPERTY LOCATED AT
13 ("THE PROPERTY"), OR AS LEGALLY DESCRIBED ON ATTACHED EXHIBIT A.

14 DISCLOSURES CONTAINED IN THIS FORM ARE PROVIDED BY THE SELLER ON THE
15 BASIS OF SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME THIS
16 DISCLOSURE FORM IS COMPLETED BY THE SELLER. YOU HAVE THREE BUSINESS
17 DAYS, UNLESS OTHERWISE AGREED, FROM THE SELLER'S DELIVERY OF THIS
18 SELLER'S DISCLOSURE STATEMENT TO RESCIND YOUR AGREEMENT BY DELIVERING
19 YOUR SEPARATE SIGNED WRITTEN STATEMENT OF RESCISSION TO THE SELLER,
20 UNLESS YOU WAIVE THIS RIGHT AT OR PRIOR TO ENTERING INTO A SALE
21 AGREEMENT. THE FOLLOWING ARE DISCLOSURES MADE BY THE SELLER AND ARE
22 NOT THE REPRESENTATIONS OF ANY REAL ESTATE LICENSEE OR OTHER PARTY.
23 THIS INFORMATION IS FOR DISCLOSURE ONLY AND IS NOT INTENDED TO BE A
24 PART OF ANY WRITTEN AGREEMENT BETWEEN THE BUYER AND THE SELLER.

25 FOR A MORE COMPREHENSIVE EXAMINATION OF THE SPECIFIC CONDITION OF THIS
26 PROPERTY YOU ARE ADVISED TO OBTAIN AND PAY FOR THE SERVICES OF A
27 QUALIFIED SPECIALIST TO INSPECT THE PROPERTY ON YOUR BEHALF, FOR
28 EXAMPLE, ARCHITECTS, ENGINEERS, LAND SURVEYORS, PLUMBERS, ELECTRICIANS,
29 ROOFERS, BUILDING INSPECTORS, OR PEST AND DRY ROT INSPECTORS. THE
30 PROSPECTIVE BUYER AND THE OWNER MAY WISH TO OBTAIN PROFESSIONAL ADVICE
31 OR INSPECTIONS OF THE PROPERTY AND TO PROVIDE FOR APPROPRIATE
32 PROVISIONS IN A CONTRACT BETWEEN THEM WITH RESPECT TO ANY ADVICE,
33 INSPECTION, DEFECTS OR WARRANTIES.

34 Seller is/ is not occupying the property.

35 I. SELLER'S DISCLOSURES:

1 *If "Yes" attach a copy or explain. If necessary use an attached
2 sheet.

3 **1. TITLE**

4 []Yes []No []Don't know A. Do you have legal authority to sell
5 the property?

6 []Yes []No []Don't know *B. Is title to the property subject to
7 any of the following?

8 (1) First right of refusal

9 (2) Option

10 (3) Lease or rental agreement

11 (4) Life estate?

12 []Yes []No []Don't know *C. Are there any encroachments,
13 boundary agreements, or boundary
14 disputes?

15 []Yes []No []Don't know *D. Are there any rights of way,
16 easements, or access limitations that
17 may affect the owner's use of the
18 property?

19 []Yes []No []Don't know *E. Are there any written agreements
20 for joint maintenance of an easement or
21 right of way?

22 []Yes []No []Don't know *F. Is there any study, survey project,
23 or notice that would adversely affect
24 the property?

25 []Yes []No []Don't know *G. Are there any pending or existing
26 assessments against the property?

27 []Yes []No []Don't know *H. Are there any zoning violations,
28 nonconforming uses, or any unusual
29 restrictions on the subject property
30 that would affect future construction
31 or remodeling?

32 []Yes []No []Don't know *I. Is there a boundary survey for the
33 property?

34 []Yes []No []Don't know *J. Are there any covenants,
35 conditions, or restrictions which
36 affect the property?

37 **2. WATER**

38 A. Household Water

1 (1) The source of the water is
2 []((Public)) Publicly owned
3 system
4 []Community or nonprofit system
5 []((Private)) Privately owned
6 system
7 []((Shared)) Private well

8 If the water is supplied by a water
9 system, is the system

10 [] a Group A (federally regulated)
11 system?

12 [] a Group B (state/locally regulated)
13 system?

14 Please provide the name of the system,
15 current operating permit status (Group
16 A system), and a number where the
17 owner/operator may be contacted: . . .
18

19 (2) Water source information:

20 []Yes []No []Don't know *a. Are there any
21 written agreements for
22 shared water source?

23 []Yes []No []Don't know *b. Is there an
24 easement (recorded or
25 unrecorded) for access
26 to and/or maintenance
27 of the water source?

28 []Yes []No []Don't know *c. Are any known
29 problems or repairs
30 needed?

31 []Yes []No []Don't know *d. Does the source
32 provide an adequate
33 year round supply of
34 potable water?

35 []Yes []No []Don't know *(3) Are there any water treatment
36 systems for the property?
37 []Leased []Owned

38 []Yes []No []Don't know (4) Monitoring and testing of the
39 quality of the source of water

supply has been done within the past three years without any violations of applicable water quality standards.

B. Irrigation

(1) Are there any water rights for the property?

*(2) If they exist, to your knowledge, have the water rights been used during the last five-year period?

*(3) If so, is the certificate available?

C. Outdoor Sprinkler System

(1) Is there an outdoor sprinkler system for the property?

*(2) Are there any defects in the outdoor sprinkler system?

3. SEWER/SEPTIC SYSTEM

A. The property is served by: []Public sewer main, []Septic tank system []Other disposal system (describe)

B. If the property is served by a public or community sewer main, is the house connected to the main?

C. Is the property currently subject to a sewer capacity charge?

D. If the property is connected to a septic system:

(1) Was a permit issued for its construction, and was it approved by the city or county following its construction?

(2) When was it last pumped: , 19. . .

*(3) Are there any defects in the operation of the septic system?

1 []Don't know
2
3
4 []Don't know
5
6
7 []Yes []No []Don't know
8
9
10
11 []Yes []No []Don't know
12
13 []Yes []No []Don't know
14
15
16

(4) When was it last inspected?
. , 19. . .
By Whom:
(5) How many bedrooms was the
system approved for?
. bedrooms
*E. Do all plumbing fixtures,
including laundry drain, go to the
septic/sewer system? If no,
explain:
*F. Are you aware of any changes
or repairs to the septic system?
G. Is the septic tank system,
including the drainfield, located
entirely within the boundaries of
the property?

4. STRUCTURAL

17
18 []Yes []No []Don't know
19 []Yes []No []Don't know
20 []Yes []No []Don't know
21
22
23 []Yes []No []Don't know
24
25 []Yes []No []Don't know
26
27 []Yes []No []Don't know
28
29
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31 []Yes []No []Don't know
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33
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35
36
37 []Yes []No []Don't know
38
39

*A. Has the roof leaked?
If yes, has it been repaired?
*B. Have there been any
conversions, additions, or
remodeling?
*1. If yes, were all building
permits obtained?
*2. If yes, were all final
inspections obtained?
C. Do you know the age of the
house? If yes, year of original
construction:
.
*D. Do you know of any settling,
slippage, or sliding of either the
house or other structures/
improvements located on the
property? If yes, explain:
.
*E. Do you know of any defects
with the following: (Please check
applicable items)

1	<input type="checkbox"/>	Foundations	<input type="checkbox"/>	Decks	<input type="checkbox"/>	Exterior Walls
2	<input type="checkbox"/>	Chimneys	<input type="checkbox"/>	Interior Walls	<input type="checkbox"/>	Fire Alarm
3	<input type="checkbox"/>	Doors	<input type="checkbox"/>	Windows	<input type="checkbox"/>	Patio
4	<input type="checkbox"/>	Ceilings	<input type="checkbox"/>	Slab Floors	<input type="checkbox"/>	Driveways
5	<input type="checkbox"/>	Pools	<input type="checkbox"/>	Hot Tub	<input type="checkbox"/>	Sauna
6	<input type="checkbox"/>	Sidewalks	<input type="checkbox"/>	Outbuildings	<input type="checkbox"/>	Fireplaces
7	<input type="checkbox"/>	Garage Floors	<input type="checkbox"/>	Walkways		
8	<input type="checkbox"/>	Other	<input type="checkbox"/>	Wood Stoves		

9 Yes No Don't know *F. Was a pest or dry rot,
 10 structural or "whole house"
 11 inspection done? When and by whom
 12 was the inspection completed? . .
 13 Yes No Don't know *G. Since assuming ownership, has
 14 your property had a problem with
 15 wood destroying organisms and/or
 16 have there been any problems with
 17 pest control, infestations, or
 18 vermin?

5. SYSTEMS AND FIXTURES

If the following systems or fixtures are included with the transfer, do they have any existing defects:

23 Yes No Don't know *A. Electrical system, including
 24 wiring, switches, outlets, and
 25 service
 26 Yes No Don't know *B. Plumbing system, including
 27 pipes, faucets, fixtures, and
 28 toilets
 29 Yes No Don't know *C. Hot water tank
 30 Yes No Don't know *D. Garbage disposal
 31 Yes No Don't know *E. Appliances
 32 Yes No Don't know *F. Sump pump
 33 Yes No Don't know *G. Heating and cooling systems
 34 Yes No Don't know *H. Security system Owned
 35 Leased
 36 *I. Other

6. COMMON INTEREST

1 []Yes []No []Don't know

A. Is there a Home Owners' Association? Name of Association

2

3

4 []Yes []No []Don't know

B. Are there regular periodic assessments:

5

6

\$. . . per [] Month [] Year

7

[] Other

8 []Yes []No []Don't know

*C. Are there any pending special assessments?

9

10 []Yes []No []Don't know

*D. Are there any shared "common areas" or any joint maintenance agreements (facilities such as walls, fences, landscaping, pools, tennis courts, walkways, or other areas co-owned in undivided interest with others)?

11

12

13

14

15

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17

7. GENERAL

18 []Yes []No []Don't know

*A. Is there any settling, soil, standing water, or drainage problems on the property?

19

20

21 []Yes []No []Don't know

*B. Does the property contain fill material?

22

23 []Yes []No []Don't know

*C. Is there any material damage to the property or any of the structure from fire, wind, floods, beach movements, earthquake, expansive soils, or landslides?

24

25

26

27

28 []Yes []No []Don't know

D. Is the property in a designated flood plain?

29

30 []Yes []No []Don't know

*E. Are there any substances, materials, or products that may be an environmental hazard such as, but not limited to, asbestos, formaldehyde, radon gas, lead-based paint, fuel or chemical storage tanks, and contaminated soil or water on the subject property?

31

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1 []Yes []No []Don't know

*F. Are there any tanks or underground storage tanks (e.g., chemical, fuel, etc.) on the property?

5 []Yes []No []Don't know

*G. Has the property ever been used as an illegal drug manufacturing site?

8 **8. FULL DISCLOSURE BY SELLERS**

9 A. Other conditions or defects:

10 []Yes []No []Don't know

*Are there any other material defects affecting this property or its value that a prospective buyer should know about?

14 B. Verification:

The foregoing answers and attached explanations (if any) are complete and correct to the best of my/our knowledge and I/we have received a copy hereof. I/we authorize all of my/our real estate licensees, if any, to deliver a copy of this disclosure statement to other real estate licensees and all prospective buyers of the property.

24 DATE SELLER SELLER

25 **II. BUYER'S ACKNOWLEDGMENT**

26 A. As buyer(s), I/we acknowledge the duty to pay
27 diligent attention to any material defects which
28 are known to me/us or can be known to me/us by
29 utilizing diligent attention and observation.

30 B. Each buyer acknowledges and understands that the
31 disclosures set forth in this statement and in
32 any amendments to this statement are made only by
33 the seller.

34 C. Buyer (which term includes all persons signing
35 the "buyer's acceptance" portion of this
36 disclosure statement below) hereby acknowledges
37 receipt of a copy of this disclosure statement

1 (including attachments, if any) bearing seller's
2 signature.

3 DISCLOSURES CONTAINED IN THIS FORM ARE PROVIDED BY THE SELLER ON THE
4 BASIS OF SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME OF
5 DISCLOSURE. YOU, THE BUYER, HAVE THREE BUSINESS DAYS, UNLESS OTHERWISE
6 AGREED, FROM THE SELLER'S DELIVERY OF THIS SELLER'S DISCLOSURE
7 STATEMENT TO RESCIND YOUR AGREEMENT BY DELIVERING YOUR SEPARATE SIGNED
8 WRITTEN STATEMENT OF RESCISSION TO THE SELLER UNLESS YOU WAIVE THIS
9 RIGHT OF RESCISSION.

10 BUYER HEREBY ACKNOWLEDGES RECEIPT OF A COPY OF THIS REAL PROPERTY
11 TRANSFER DISCLOSURE STATEMENT AND ACKNOWLEDGES THAT THE DISCLOSURES
12 MADE HEREIN ARE THOSE OF THE SELLER ONLY, AND NOT OF ANY REAL ESTATE
13 LICENSEE OR OTHER PARTY.

14 DATE BUYER BUYER

15 (2) The real property transfer disclosure statement shall be for
16 disclosure only, and shall not be considered part of any written
17 agreement between the buyer and seller of residential real property.
18 The real property transfer disclosure statement shall be only a
19 disclosure made by the seller, and not any real estate licensee
20 involved in the transaction, and shall not be construed as a warranty
21 of any kind by the seller or any real estate licensee involved in the
22 transaction.

23 **Sec. 3.** RCW 70.119.030 and 1995 c 376 s 6 are each amended to read
24 as follows:

- 25 (1) A public water system shall have a certified operator if:
26 (a) It is a group A water system; or
27 (b) It is a public water system using a surface water source or a
28 ground water source under the direct influence of surface water.

29 (2) The certified operators shall be in charge of the technical
30 direction of a water system's operation, or an operating shift of such
31 a system, or a major segment of a system necessary for monitoring or
32 improving the quality of water. The operator shall be certified as
33 provided in RCW 70.119.050.

34 (3) A certified operator may provide required services to more than
35 one system or to a group of systems. The amount of time that a
36 certified operator shall be required to be present at any given system
37 shall be based upon the time required to properly operate and maintain
38 the public water system as designed and constructed in accordance with

1 RCW 43.20.050. The employing or appointing officials shall designate
2 the position or positions requiring mandatory certification within
3 their individual systems and shall assure that such certified operators
4 are responsible for the system's technical operation.

5 (4) The department shall, in establishing by rule or otherwise the
6 requirements for public water systems with fewer than one hundred
7 connections, phase in such requirements in order to assure that (a) an
8 adequate number of certified operators are available to serve the
9 additional systems, (b) the systems have adequate notice and time to
10 plan for securing the services of a certified operator, (c) the
11 department has the additional data and other administrative capacity,
12 (d) adequate training is available to certify additional operators as
13 necessary, and (e) any additional requirements under federal law are
14 satisfied. The department shall require certified operators for all
15 Group A systems as necessary to conform to federal law or implementing
16 rules or guidelines. Unless necessary to conform to federal law,
17 rules, or guidelines, the department shall not require a certified
18 operator for a system with fewer than one hundred connections unless
19 that system is determined by the department to be in significant
20 noncompliance with operational, monitoring, or water quality standards
21 ((which)) that would put the public health at risk, as defined by the
22 department by rule, or has, or is required to have, water treatment
23 facilities other than simple disinfection.

24 (5) Any examination required by the department as a prerequisite
25 for the issuance of a certificate under this chapter shall be offered
26 in each region where the department has a regional office.

27 (6) Operators not required to be certified by this chapter are
28 encouraged to become certified on a voluntary basis.

29 **Sec. 4.** RCW 70.119A.115 and 1994 c 252 s 3 are each amended to
30 read as follows:

31 The department shall develop and implement a voluntary consolidated
32 source monitoring program sufficient to accurately characterize the
33 source water quality of the state's drinking water supplies and to
34 maximize the flexibility allowed in the federal safe drinking water act
35 to allow public water systems to be waived from full testing
36 requirements for organic and inorganic chemicals under the federal safe
37 drinking water act. The department shall ((pay)) arrange for the
38 initial sampling and provide for testing and programmatic costs ((for

1 ~~the area wide waiver program))~~ to the extent that the legislature
2 provides funding for this purpose in water system operating permit fees
3 or through specific appropriation of funds from other sources. The
4 department shall assess a fee using its authority under RCW 43.20B.020,
5 sufficient to cover all testing and directly related costs to public
6 water systems that ~~((apply for an area wide waiver))~~ otherwise are not
7 funded. The department shall adjust the amount of the fee based on the
8 size of the public drinking water system. Fees charged by the
9 department for this purpose may not vary by more than a factor of ten.
10 The department shall, to the ~~((maximum))~~ extent ~~((possible))~~ feasible
11 and cost-effective, use the services of local governments, local health
12 departments, and private laboratories to implement the ~~((area wide))~~
13 testing program. The department shall consult with the departments of
14 agriculture and ecology for the purpose of exchanging water quality and
15 other information.

16 **Sec. 5.** RCW 70.119A.170 and 1995 c 376 s 10 are each amended to
17 read as follows:

18 (1) A drinking water assistance account is created in the state
19 treasury. The purpose of the account is to allow the state to ~~((take~~
20 ~~advantage of))~~ use any federal funds that become available ~~((for safe~~
21 ~~drinking water))~~ to states from congress to fund a state revolving loan
22 fund as part of the reauthorization of the federal safe drinking water
23 act. Expenditures from the account may only be made by the secretary
24 ~~((or)),~~ the public works board, or the department of community, trade,
25 and economic development, after appropriation. Moneys in the account
26 may only be used to assist water systems to provide safe drinking water
27 through a program administered through the department of health
28 ~~((and)),~~ the public works board, and the department of community,
29 trade, and economic development and for other activities authorized
30 under federal law. Money may be placed in the account from the
31 proceeds of bonds when authorized by the legislature, transfers from
32 other state funds or accounts, federal capitalization grants or other
33 financial assistance, all repayments of moneys borrowed from the
34 account, all interest payments made by borrowers from the account or
35 otherwise earned on the account, or any other lawful source.
36 ~~((Expenditures from the account may only be made by the secretary or~~
37 ~~the public works board after appropriation.))~~ All interest earned on
38 moneys deposited in the account, including repayments, shall remain in

1 the account and be used for any eligible purpose. Moneys in the
2 account may only be used to assist local governments and water systems
3 to provide safe and reliable drinking water, for other services and
4 assistance authorized by federal law to be funded from these federal
5 funds, and to administer the program.

6 (2) The department, the public works board, and the department of
7 community, trade, and economic development shall establish and maintain
8 a program to use the moneys in the drinking water assistance account as
9 provided by the federal government under the safe drinking water act.
10 The department, the public works board, and the department of
11 community, trade, and economic development shall, in consultation with
12 purveyors, local governments, local health jurisdictions, financial
13 institutions, other state agencies, and other affected and interested
14 parties, establish guidelines and requirements for the provision of
15 financial assistance to public water systems as authorized under
16 federal law. The department, the public works board and the department
17 of community, trade, and economic development shall make every
18 reasonable effort to ensure that the guidelines or other requirements
19 are developed promptly to ensure the state's receipt and disbursement
20 of federal funds to eligible public water systems as quickly as
21 possible after the federal government has made them available.

22 (3) If the department, public works board, or any other department,
23 agency, board, or commission of state government participates in
24 providing service under this section, the administering entity shall
25 endeavor to provide cost-effective and timely services. Mechanisms to
26 provide cost-effective and timely services include: (a) Whenever
27 allowed by law, the use of policy statements or guidelines, including
28 federal guidelines, rather than administrative rules; (b) using
29 existing management mechanisms rather than creating new administrative
30 structures; (c) investigating the use of service contracts, either with
31 other governmental entities or with nongovernmental service providers;
32 (d) the use of joint or combined financial assistance applications; and
33 (e) any other method or practice designed to streamline and expedite
34 the delivery of services and financial assistance.

35 (4) The department shall establish and maintain a program to use
36 the moneys in the drinking water assistance account as provided by the
37 federal government under the safe drinking water act. The department
38 shall determine assistance priorities and carry out oversight and
39 activities related to such assistance. The department shall, in

1 consultation with the board, the department of community, trade, and
2 economic development, purveyors, local health departments, and other
3 interested parties, establish guidelines and requirements for the
4 provision of grants, loans, or other financial assistance to public
5 water systems that are consistent with the purposes and guidelines
6 authorized in this chapter. The department shall ensure that
7 guidelines and requirements:

8 (a) Utilize, to the maximum extent, all available federal financial
9 assistance and are consistent with federal requirements;

10 (b) Are consistent with existing water resource planning and
11 management, including coordinated water supply plans, regional water
12 resource plans, and comprehensive plans under the growth management
13 act, chapter 36.70A RCW;

14 (c) Prioritize (i) least-cost solutions, including consolidation
15 and restructuring of small systems, where appropriate, into more
16 economical units; (ii) the provision of regional facilities; (iii)
17 projects and activities that facilitate compliance with the federal
18 safe drinking water act; and (iv) projects and activities that are
19 intended to achieve the public health objectives of federal and state
20 drinking water laws;

21 (d) Assure implementation of water conservation and other demand
22 management measures consistent with state guidelines for water
23 utilities;

24 (e) Provide assistance for the necessary planning and engineering
25 to assure that consistency, coordination, and proper professional
26 review are incorporated into projects or activities proposed for
27 funding;

28 (f) Include minimum standards for water system capacity, financial
29 viability, and water system planning;

30 (g) Provide for testing and evaluation of the water quality of the
31 state's public water systems to assure that priority for financial
32 assistance is provided to systems and areas with threats to public
33 health from contaminated supplies and reduce in appropriate cases the
34 substantial increases in costs and rates that customers of small
35 systems would otherwise incur under the monitoring and testing
36 requirements of the federal safe drinking water act;

37 (h) Are coordinated, to the maximum extent possible, with other
38 state programs that provide financial assistance to public water

1 systems and state programs that address existing or potential water
2 quality or drinking water contamination problems; and

3 (i) Utilize definitions of "affordability" and "disadvantaged
4 community" that are consistent with these and similar terms in use by
5 other state and federal assistance programs.

6 (5) The public works board shall develop a financial assistance
7 program using appropriated funds from the drinking water assistance
8 account to meet the purposes and guidelines authorized in this chapter.
9 The board shall consult with the department and water purveyors in
10 developing the financial assistance program. The board shall, to the
11 extent necessary to meet federal requirements, administer the program
12 in order to ensure that all federal capitalization grants, together
13 with loan repayments and interest, are separately accounted for and
14 used solely for the purposes prescribed by federal law.

15 The board shall develop, in conjunction with the department,
16 criteria for financial assistance to be made to public water systems.
17 The criteria shall emphasize public water systems with the most
18 critical public health needs; the capacity of the water system to
19 effectively manage its resources; the ability to promptly commence the
20 project; and the relative benefit to the community served. Priority
21 shall be given to those systems that are ready to proceed, that will
22 provide water system improvements to the greatest number of people, and
23 that meet any other criteria that the board develops in consultation
24 with the department and water system purveyors or that may be required
25 under federal law or guidance.

26 (6) The board and department shall begin disbursement of funds to
27 eligible water systems no later than October 1, 1997.

--- END ---