

**AMENDMENT TO RULES COMMITTEE PRINT 117-**

**9**

**OFFERED BY MS. TLAIB OF MICHIGAN**

Amend section 13401 to read as follows:

1 **SEC. 13401. SMALL URBAN AND RURAL WATER SYSTEM**  
2 **CONSOLIDATION REPORT.**

3 (a) REPORT.—

4 (1) IN GENERAL.—Not later than one year  
5 after the date of enactment of this Act, the Comp-  
6 troller General shall submit to the Committee on  
7 Energy and Commerce of the House of Representa-  
8 tives and the Committee on Environment and Public  
9 Works of the Senate a report on issues relating to  
10 the potential for consolidation of distressed small  
11 water systems.

12 (2) INCLUSIONS.—The report submitted under  
13 paragraph (1) shall include—

14 (A) information on—

15 (i) the amount of debt of covered  
16 small water systems;

17 (ii) whether the budgets of covered  
18 small water systems are balanced;

1 (iii) the degree to which covered small  
2 water systems defer infrastructure im-  
3 provements;

4 (iv) the degree to which covered small  
5 water systems are not in compliance with  
6 applicable Federal and State water quality  
7 standards;

8 (v) how rates charged by covered  
9 small water systems for service relate to  
10 the costs for maintenance of, and improve-  
11 ments to, such systems;

12 (vi) how the management, financial,  
13 and technical capacity of covered small  
14 water systems affects the ability of such  
15 systems to provide service at affordable  
16 rates;

17 (vii) income inequity index for covered  
18 water systems;

19 (viii) racial, ethnic, and residential  
20 segregation data for covered water sys-  
21 tems;

22 (ix) life expectancy of residents in cov-  
23 ered water systems;

1 (x) utility governance structures and  
2 transparency of rates and investment deci-  
3 sions in covered water systems; and

4 (xi) how the covered water systems  
5 define and prioritize public health concerns  
6 as they relate to capital improvement  
7 plans, asset management plans, and other  
8 documents that guide their infrastructure  
9 investment decisions;

10 (B) an evaluation of—

11 (i) whether covered small water sys-  
12 tem infrastructure is failing, resulting in a  
13 temporary or permanent loss of essential  
14 functions or services;

15 (ii) how to prevent covered small  
16 water systems from becoming distressed  
17 small water systems;

18 (iii) how resident participation could  
19 be maintained and increased through con-  
20 solidation;

21 (iv) the extent to which and in what  
22 ways consolidation would help covered sys-  
23 tems financially, technically, and equitably;

1 (v) the extent to which and in what  
2 ways consolidation would impact rates for  
3 all customers; and

4 (vi) how the value of historic invest-  
5 ments in the system could be equitably re-  
6 tained by the original owners of the sys-  
7 tems;

8 (C) policy recommendations for how Con-  
9 gress should increase funding to support cov-  
10 ered water systems or support residents in  
11 making decisions about whether or not to con-  
12 solidate distressed small water systems; and

13 (D) best practices and guidelines the Ad-  
14 ministrator of the Environmental Protection  
15 Agency may use to assist State and local gov-  
16 ernments with facilitating the consolidation of  
17 distressed small water systems.

18 (b) DEFINITIONS.—In this section:

19 (1) CONSOLIDATION.—The term “consolida-  
20 tion” means, with respect to a public water system,  
21 any of the actions described in subparagraphs (A)  
22 through (D) of section 1414(h)(1) of the Safe  
23 Drinking Water Act (42 U.S.C. 300g–3(h)(1)).

24 (2) COVERED SMALL WATER SYSTEM.—The  
25 term “covered small water system” means a public

1 water system that serves fewer than 50,000 individ-  
2 uals.

3 (3) DISTRESSED SMALL WATER SYSTEM.—The  
4 term “distressed small water system” means a cov-  
5 ered small water system—

6 (A) that is unable to carry out necessary  
7 maintenance of, and improvements to, such sys-  
8 tem in order to—

9 (i) comply with applicable Federal and  
10 State water quality standards; or

11 (ii) provide reliable and affordable  
12 service to customers while complying with  
13 such water quality standards; and

14 (B) with respect to which consolidation  
15 may be necessary to address the issues de-  
16 scribed in subparagraph (A).

17 (4) PUBLIC WATER SYSTEM.—The term “public  
18 water system” has the meaning given such term in  
19 section 1401 of the Safe Drinking Water Act (42 24  
20 U.S.C. 300f).

