



At a Glance

Why We Did This Review

Congress created the Drinking Water State Revolving Fund (DWSRF) program to assist public water systems with upgrading infrastructure to ensure the continued provision of safe drinking water. The fund requires states to give priority to projects needed to protect public health and ensure compliance with the Safe Drinking Water Act (SDWA), especially in locations with great economic need and the most serious health problems. We sought to determine whether DWSRF funds are effectively used to assist communities that do not meet standards.

Background

Congress established the DWSRF program in the 1996 amendments to SDWA. The goal of the DWSRF program is to provide states with the means to establish a revolving fund to provide low-cost loans to public water systems, and other funding through set-asides, to further public health protection under SDWA. In fiscal year 2010, the U.S. Environmental Protection Agency (EPA) allotted \$1.36 billion for state DWSRF programs.

For further information, contact our Office of Congressional and Public Affairs at (202) 566-2391.

The full report is at:
www.epa.gov/oig/reports/2012/20111201-12-P-0102.pdf

Enhanced Coordination Needed to Ensure Drinking Water State Revolving Funds Are Used to Help Communities Not Meeting Standards

What We Found

The DWSRF program is not taking full advantage of the data and tools that are available to identify noncompliant systems that may benefit from DWSRF funding. Although EPA and the states use DWSRF funds to assist communities in achieving or maintaining compliance with drinking water standards, some high-priority systems were not aware of the DWSRF program. SDWA requires that funding priority be given to projects that address the most serious risk to human health, are necessary to ensure SDWA compliance, and assist systems most in need. However, noncompliance by some community systems with the highest number of health-based violations is being resolved through other means, such as through consolidation with other systems, enforcement actions, technical assistance, or other funding sources. One EPA region and two states we reviewed stated that EPA does not have discussions with states about specific systems in violation of SDWA when reviewing state intended use plans and project priority lists, or when conducting annual reviews. The EPA DWSRF program should encourage enhanced coordination with enforcement programs and use available Agency enforcement data and tools to identify noncompliant systems that may benefit from DWSRF funding. These actions would assist in achieving the Agency's strategic objective of making water safe to drink.

What We Recommend

We recommend that the Assistant Administrator for Water include in the annual regional review of states checklist an assessment of the coordination between state DWSRF and enforcement programs. We also recommend that the Assistant Administrator create a national intended use plan review checklist that includes a requirement to assess coordination between state DWSRF and enforcement programs. Further, we recommend that the Assistant Administrator identify and implement actions to enhance coordination between regional and state DWSRF and Public Water System Supervision programs. EPA agreed with all of our recommendations and provided milestone dates for each recommendation.