## Rural Water Issues Advisory [9/2/2019]

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Florida Rural Water Association (FRWA) Activates Emergency Response for Dorian: On Thursday, FRWA commented, "We are in full emergency response mode now and working off the Standard Operating Procedure (SOP), equipment loaded on semi-trailers for first wave of response; 10 large generators loaded onto 2 semi-trailers; and additional semi-trailers to get all of the 50 units deployed."



**Rural Electric Co-ops Facing New Federal Taxes**: Due to federal tax changes for 501(c)(12) organizations in the 2017 federal tax reform law, electric co-ops' tax-exempt status could be on the line. To be considered tax exempt, electric co-ops are limited to a 15 percent threshold of non-member income. As written, the 2017 tax law counts money received from any government grant—federal, state or local—as non-member income where previously most such grants were considered contributions to capital and not "income" (Bloomberg News).

Congress to Move Continuing Resolution to Avoid October Shutdown: Lawmakers are signaling consensus on a short-term continuing resolution to give themselves more time to finalize appropriations bills. The House has passed most of the required annual spending bills for fiscal 2020, but lawmakers still must reconcile them with the Senate, which has yet to approve any appropriations bills for the upcoming fiscal year. The recently passed two-year budget deal should allow the Senate to expeditiously advance spending bills this fall. This year's House appropriations bills have included historically high levels for rural water funding priorities (funding chart).

Private Water Legislative Priorities Are: (1) Access to Public Funding, (2) Consolidations, and (3) EPA Action on PFAS (NAWC).

Congress Likely to Pass PFAS Legislation by October: Congress is under pressure to pass the defense authorization bill before the end of September when the current legislation expires. The House and Senate have passed different versions of PFAS provisions as part of the defense bill and will have to reconcile those differences in any final legislation to be sent to the President. House and Senate negotiators are expected to formally begin negotiating differences shortly after Congress returns the week of September 9. The House version designates PFAS "as hazardous substances" under the Superfund law, directs the Defense Depart (DOD) to stop using firefighting foam with PFAS chemicals, and directs DOD to provide farmers facing contamination with clean water or treat the contaminated water sources. NRWA and the other national water associations are opposing the Superfund provision in the House bill (Joint Statement, 8/19). The Senate version would require the EPA to set a drinking water standard within 2 years, require EPA to include certain PFAS in the agency's Toxics Release

Inventory, require manufacturers of the chemicals to submit additional data to the agency, and include additional provisions favorable to NRWA (NRWA supporting statement).

Environmentalists Release Documents They Claim Show PFAS Manufacturers Knew for 70 Years That PFAS Was a Health Threat: "They've known for almost that long that PFAS chemicals have a toxic effect on our organs. But they did not alert federal or state regulators until 1998, and many companies continue to make and release PFAS chemicals into the environment today," said the Environmental Water Group (EWG release). "They portray an incomplete and misleading story that distorts the full record regarding 3M's action [with] respect to PFOA and PFOS, as well as who we are as a company," said 3M.

## **National Rural Water Association**

**The National Rural Water Association** is the country's largest public drinking water and sanitation supply organization with over 30,000 members. Safe drinking water and sanitation are generally recognized as the most essential public health, public welfare, and civic necessities.

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