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House Approves One-Year CFATS Extension, Rebuffs IST Amendment

The FY10 Department of Homeland Security Appropriations bill (H.R. 2892) approved by the House last week includes a one-year extension of the Chemical Facility Anti-Terrorism Standards (CFATS) program and the exemption of drinking water and wastewater systems from the regulations.

Although the House Homeland Security Committee approved separate legislation (H.R. 2868) earlier last week that would make significant changes to CFATS, President Obama has asked Congress to temporarily extend the current program to ensure it does not expire as scheduled in October. The one-year extension in the DHS funding bill, therefore, is intended to buy more time for Congress to consider H.R. 2868, as well as a separate EPA-based program that will oversee security at drinking water systems.

Meanwhile, prior to consideration of the DHS spending bill, the House Rules Committee rejected an amendment proposed by Rep. Charlie Dent (R-Penn.) that would have barred the use of DHS funds to mandate the implementation of “inherently safer technology” (IST) at chemical facilities covered under the program. H.R. 2868 as approved by the Homeland Security Committee would allow DHS to force chemical facilities to adopt IST, so the Rules Committee’s rejection of the Dent amendment suggests that House leaders will continue to firmly oppose efforts to strike the IST language from any chemical facility security legislation that reaches the floor.

Water System Adaptation Amendment Blocked By Rules Committee

An amendment that would have created a grant program to help drinking water and wastewater systems fund projects to adapt to the impacts of climate change was not attached to the comprehensive climate change legislation (H.R. 2454, the “American Clean Energy and Security Act”) considered by the House last week after the Rules Committee failed to allow for its consideration on the House floor.

The amendment, offered by Rep. Lois Capps (D-Calif.) and based on her recently introduced “Water System Adaptation Partnerships Act” (H.R. 2969), was backed by AMWA and other drinking water, wastewater and environmental organizations. Under the proposal, drinking water, wastewater and stormwater agencies would compete for EPA funding to implement projects to adapt their operations to the impacts of climate change. Eligible uses of funds would range from water conservation and efficiency improvements to the adoption of new

treatment methods that respond to water quality denigration.

The Capps amendment was one of more than 200 proposed changes to the comprehensive House bill. However, the Rules Committee allowed just one of these amendments to be debated individually on the House floor. Energy and Commerce Committee staff indicated to AMWA that they wanted to more closely examine the Capps proposal before endorsing its inclusion in the bill.

Despite this setback, AMWA and other water sector groups intend to present the amendment language to members of the U.S. Senate for inclusion in their climate change legislation when it is written later this summer.

This Week in Congress

The House and Senate are out of session this week as members observe the Independence Day recess. Congress will be back in session on July 6.

Waxman Pushes House To Approve Cap-and-Trade Legislation

Democratic leaders in the House late last week were pushing to pass H.R. 2454, legislation that would create a greenhouse gas emissions cap-and-trade program. A final vote on the measure was expected to occur late Friday afternoon.

While drinking water and wastewater utility plants would not be directly subject to emissions limits, the bill could impact the water sector in a number of ways. For example, the bill would promote the adoption of carbon capture and storage technology, and amend the Safe Drinking Water Act (SDWA) to direct the EPA Administrator to promulgate regulations for the development, operation and closure of carbon sequestration wells. Regulations to protect human health and water quality from the impacts of carbon stored underground would be left to EPA rulemaking. Additionally, a study would be mandated to determine what entities would be liable to damage caused by underground carbon reservoirs.

Other sections of the bill would formally authorize EPA's WaterSense program and direct the agency to promote WaterSense-labeled products. The bill also incorporates National Climate Service (NCS) legislation approved by the House Science and Technology Committee earlier this year (H.R. 2407). The NCS would coordinate the nation's climate change research and interact with local stakeholders on their research needs. The section also includes language suggested by AMWA that would direct NCS to develop tools to make its raw climate data usable to local end-users.

Finally, at the outset of the cap-and-trade program, the bill would set aside about one percent of carbon allowance revenues to be divided among states to support climate change adaptation projects. States would be free to choose what types of projects receive funds, although the distribution of funding would have to be consistent with climate adaptation plans completed by each state.

A detailed Congressional Research Service report summarizing the provisions of the entire “American Clean Energy and Security Act” is available on AMWA’s [Legislative Information](#) webpage.

House Passes FY10 EPA Spending Bill; Senate Committee Approves Trimmed Version

The FY10 Interior-Environment appropriations bill advanced on two fronts in Congress last week, winning passage in the House of Representatives and approval of the Senate Appropriations Committee.

As approved by the House, the bill (H.R. 2996) would include \$1.5 billion for the Drinking Water State Revolving Fund, while the wastewater SRF would receive \$2.4 billion. The total of \$3.9 billion is a dramatic increase over the combined \$1.5 billion appropriation the two programs received in 2009. Additionally, the bill includes \$160 million for water and sewer earmarks, ignoring President Obama’s request to eliminate targeted water infrastructure assistance.

The non-binding committee report accompanying the House legislation also directs EPA to expand the agency’s endocrine disruptor screening program and to publish a list of at least 100 chemicals that will be screened, including those found in pharmaceuticals and personal care products. The committee directed EPA to reserve at least \$11,422,000 for the endocrine disruptor research.

Meanwhile, the Senate Appropriations Committee last week approved a version of the FY10 EPA spending bill that would be slightly less generous to the SRF programs, though still representing a significant increase in spending. Under the Senate proposal, the Drinking Water SRF would receive \$1.39 billion (\$558 above the regular 2009 appropriation level) and the Clean Water SRF would be allotted \$2.1 billion (a \$1.4 billion increase over 2009). The bill also includes \$150 million worth of water and sewer earmarks.

Overall, the Senate proposal would fund EPA at \$10.19 billion, which represents a 33 percent increase over the agency’s pre-stimulus 2009 funding level.

Sign Up For Water Sector Cyber Security Workshops

In response to ever-evolving cyber threats to industrial control systems, the Water Sector Coordinating Council (WSCC) is hosting a series of workshops designed specifically to improve the knowledge, skills and abilities of U.S. based utility employees who are responsible for control system security. The Department of Homeland Security’s Control Systems Security Program will present the workshop training and discuss security products that are available for use by water sector asset owners and operators.

Workshops are currently scheduled for Chicago (October 15), San Antonio (October 26) and Holliston/Boston (November 3). AMWA encourages members to take advantage of this unique opportunity. For further information, [click here](#).