

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

WSG 123

Date Signed: October 23, 1998

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MEMORANDUM

SUBJECT: Drinking Water Territorial Set-Aside Program and Release of Funds

FROM: Robert J. Blanco, Director
Implementation and Assistance Division (4606)
Office of Ground Water & Drinking Water

TO: Alexis Strauss, Acting Director
Water Division
Region IX

Cynthia Dougherty has asked me to respond to your September 17 memorandum regarding the Territorial Set-Aside program under the Drinking Water State Revolving Loan Fund. First, I want to apologize for the delays in getting you both guidance and funding for the Program. Our belief was, and is, that the Territorial and Tribal Set-Aside Programs were going to be quite similar in allowances, limitations, and program administration. Our plan had been to work out the major issues via the Tribal Program and once we were certain of the appropriate direction for that program, we intended to use it as the foundation for the Territorial program guidelines.

The substantive issues surrounding the Tribal Set-Aside Program have been resolved, and Cynthia recently signed the Tribal Set-Aside Program Guidelines. As soon as they become effective – which will occur once they are either published, or a notice of their availability is published, in the *Federal Register* – we will be able to proceed with the Territorial program. I have decided, however, that development of formal guidelines for the Territorial Program, as originally planned, is not mandatory. I believe it will be sufficient to direct you, and Region II, to use the Tribal Guidelines as a framework for developing your own Territorial programs. Consequently, as soon as the Tribal guidelines are officially released, I will be sending a memorandum to both you and Region II which will outline this new approach. While I can't be certain when the Tribal package will become effective, I believe that it will occur in the first or second week of November. I should be able to provide you with the follow-up memorandum within a week following release of the Tribal Guidelines. Finally, I will reprogram all available Territorial funds to you as soon as we receive the authority from the Comptroller to do so. Our budget office predicts that this will also occur in the first or second week of November. I will proceed with the Territorial reprogramming as soon as I have been given approval to do so by the Comptroller, even if the Tribal package is not released.

Again, I apologize for the delays in getting this program "off the ground", but am confident that you should be able to proceed with your program in the very near future. If you have any further questions, please give me a call on (202)260-5525, or have your staff call Ray Enyeart on (202) 260-5551.