

and the impact on small entities will be 0.00 to 0.11 percent of revenues, the Stage 2 DBPR is not subject to the requirements of section 203 of UMRA.

Nevertheless, in developing this rule, EPA consulted with small governments (see sections VIII.B., VIII.C. and VIII.F.). In preparation for the proposed Stage 2 DBPR, EPA conducted an analysis of small government impacts and included small government officials or their designated representatives in the rulemaking process. As noted previously, a variety of stakeholders, including small governments, had the opportunity for timely and meaningful participation in the regulatory development process through the SBREFA process, public stakeholder meetings, and Tribal meetings. Representatives of small governments took part in the SBREFA process for this rulemaking and they attended public stakeholder meetings. Through such participation and exchange, EPA notified several potentially affected small governments of requirements under consideration and provided officials of affected small governments with an opportunity to have meaningful and timely input into the development of this regulatory proposal.

The Agency has developed fact sheets that describe requirements of the proposed Stage 2 DBPR. These fact sheets are available by calling the Safe Drinking Water Hotline at 800-426-4791.

E. Executive Order 13132: Federalism

Executive Order 13132, entitled "Federalism" (64 FR 43255, August 10, 1999), requires EPA to develop an accountable process to ensure "meaningful and timely input by State and local officials in the development of regulatory policies that have federalism implications." "Policies that have federalism implications" is defined in the Executive Order to include regulations that have "substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government."

This proposed rule will not have federalism implications. It will not impose substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government, as specified in Executive Order 13132. The proposed rule has one-time costs for implementation of approximately \$68.5 million. Thus, Executive Order 13132 does not apply to this rule.

Although Executive Order 13132 does not apply to this rule, EPA did consult with State and local officials in developing this proposed regulation. On February 20, 2001, EPA held a dialogue on both the Stage 2 DBPR and LT2ESWTR with representatives of State and local governmental organizations including those that represent elected officials.

Representatives from the following organizations attended the consultation meeting: Association of State Drinking Water Administrators (ASDWA), the National Governors' Association (NGA), the National Conference of State Legislatures (NCSL), the International City/County Management Association (ICMA), the National League of Cities (NLC), the County Executives of America, and health departments. At the consultation meeting, questions ranged from a basic inquiry into how *Cryptosporidium* gets into water to more detailed queries about anticipated implementation guidance, procedures, and schedules. No concerns were expressed. Some of the State and local organizations who attended the governmental dialogue on upcoming microbial and disinfection byproduct rulemakings were also participants in the Advisory Committee meetings and signed the Agreement in Principle. In addition, EPA consulted with a mayor in the SBREFA consultation described in section VIII B.

In the spirit of Executive Order 13132, and consistent with EPA policy to promote communications between EPA and State and local governments, EPA specifically solicits comment on this proposed rule from State and local officials.

F. Executive Order 13175: Consultation and Coordination With Indian Tribal Governments

Executive Order 13175, entitled "Consultation and Coordination with Indian Tribal Governments" (65 FR 67249, November 9, 2000), requires EPA to develop "an accountable process to ensure meaningful and timely input by tribal officials in the development of regulatory policies that have tribal implications." "Policies that have tribal implications" is defined in the Executive Order to include regulations that have "substantial direct effects on one or more Indian tribes, on the relationship between the Federal government and the Indian tribes, or on the distribution of power and responsibilities between the Federal government and Indian tribes."

Under Executive Order 13175, EPA may not issue a regulation that has Tribal implications, that imposes

substantial direct compliance costs, and that is not required by statute, unless the Federal government provides the funds necessary to pay the direct compliance costs incurred by Tribal governments, or EPA consults with Tribal officials early in the process of developing the proposed regulation and develops a Tribal summary impact statement.

EPA has concluded that this proposed rule may have Tribal implications because it may impose substantial direct compliance costs on Tribal governments, and the Federal government will not provide the funds necessary to pay those costs.

Total Tribal costs are estimated to be approximately \$199,372 per year (at a 3 percent discount rate) and this cost is distributed across 559 Tribal systems. The cost for individual systems depend on system size and source water type. Of the 559 Tribes that may be affected in some form by the Stage 2 DBPR, 502 use ground water as a source and 57 systems use surface water or GWUDI. Since the majority of Tribal systems are ground water systems serving fewer than 500 people, less than 10 percent of all Tribal systems will likely have to conduct an IDSE. As a result, the Stage 2 DBPR is most likely to have an impact on Tribes using surface water or GWUDI serving more than 500 people. Accordingly, EPA provides the following Tribal summary impact statement as required by section 5(b) of Executive Order 13175. EPA provides further detail on Tribal impact in the *Economic Analysis for the Stage 2 Disinfectants and Disinfection Byproduct Rule* (USEPA 2003i).

EPA consulted with Tribal officials early in the process of developing this regulation to permit them to have meaningful and timely input into its development. Consistent with Executive Order 13175, EPA engaged in outreach and consultation efforts with Tribal officials in the development of this proposed regulation. The most long-term participation of Tribes was on the Advisory Committee through a representative of the All Indian Pueblo Council (AIPC), which is associated with approximately 20 Tribes.

In addition to obtaining Tribal input during the Advisory Committee negotiations, EPA presented the Stage 2 DBPR at the 16th Annual Consumer Conference of the National Indian Health Board, the Environmental Council's Annual Conference, and the EPA/Inter-Tribal Council of Arizona, Inc. Over 900 attendees representing Tribes from across the country attended the National Indian Health Board's Consumer Conference and over 100