

116TH CONGRESS
1ST SESSION

H. R. 4033

To provide supplemental appropriations for safe and secure water, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 25, 2019

Mr. KILDEE (for himself and Mrs. LAWRENCE) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committees on the Budget, Ways and Means, Natural Resources, Agriculture, and Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To provide supplemental appropriations for safe and secure water, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Water Justice Act”.

6 (b) TABLE OF CONTENTS.—The table of contents for
7 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—DRINKING WATER INFRASTRUCTURE EMERGENCY

- Sec. 101. Findings.
 Sec. 102. Definitions.
 Sec. 103. Supplemental appropriations for the drinking water infrastructure emergency.

TITLE II—WATER ACCESSIBILITY AND AFFORDABILITY

- Sec. 201. Findings.
 Sec. 202. Drinking water, wastewater, and stormwater services assistance needs-based program.
 Sec. 203. Establishment of Federal grant program for drinking water treatment works operation and maintenance.

TITLE III—INVESTMENTS IN NATIONWIDE WATER INFRASTRUCTURE AND SUSTAINABILITY

- Sec. 301. Findings.
 Sec. 302. Reclamation infrastructure finance and innovation pilot program.
 Sec. 303. Water recycling and reuse projects.
 Sec. 304. Mandatory spending for water infrastructure programs.
 Sec. 305. Expanding and increasing funding for rural individual and connected water systems programs.
 Sec. 306. Increased funding for water management improvement.
 Sec. 307. Water Efficiency and Conservation Block Grant Program.
 Sec. 308. Rural water supply program reauthorization.
 Sec. 309. Combating PFAS.
 Sec. 310. Multi-benefit projects to improve watershed health.

1 **TITLE I—DRINKING WATER**
 2 **INFRASTRUCTURE EMERGENCY**

3 **SEC. 101. FINDINGS.**

4 Congress finds that—

5 (1)(A) everyone has the right to clean and safe
 6 drinking water and appropriate sanitation services;
 7 and

8 (B) the Federal Government has the responsi-
 9 bility to ensure that the rights described in subpara-
 10 graph (A) are realized;

11 (2) the American Society of Civil Engineers as-
 12 signed a “D” grade to the drinking water infrastruc-

1 ture of the United States and the American Water
2 Works Association estimated that
3 \$1,000,000,000,000 is necessary to maintain and ex-
4 pand service during the 25-year period beginning on
5 the date of enactment of this Act;

6 (3) deterioration and aging of the water infra-
7 structure of the United States has resulted in mil-
8 lions of people of the United States being exposed to
9 unsafe drinking water, including lead contamination;

10 (4) exposure to lead can cause serious health
11 problems, especially to young children and pregnant
12 women, including damage to the brain and nervous
13 system, kidney problems, and high blood pressure;

14 (5) the Government Accountability Office esti-
15 mates that 43 percent of school districts, serving
16 35,000,000 students, tested for lead in school drink-
17 ing water in 2016 or 2017;

18 (6) of the schools that tested for lead as de-
19 scribed in paragraph (5), an estimated 37 percent
20 found levels of lead above the threshold of the school
21 district for taking remedial action;

22 (7) according to the American Water Works As-
23 sociation, approximately 30 percent of surveyed com-
24 munity water systems in the United States reported
25 having some lead-containing service lines;

1 (8) the continuing emergency of drinking water
2 contamination in communities like Flint, Michigan,
3 demonstrates the severity of this crisis across the
4 United States;

5 (9) many rural areas across the United States
6 also face severe drinking water challenges, as the
7 community water systems serving small populations
8 in the United States often lack sufficient financial
9 and technical resources;

10 (10) boil water advisories are a daily occurrence
11 in the United States, and those advisories dispro-
12 portionately impact small drinking water systems, with
13 some advisories in rural areas lasting for years;

14 (11) it is estimated that 13,000,000 households
15 in the United States rely on well water, with no Fed-
16 eral regulation or testing of contaminants;

17 (12) past appropriations for the Environmental
18 Protection Agency grant programs that address
19 school drinking water and drinking water contami-
20 nation in high-risk communities are not sufficient to
21 address the tremendous need throughout the United
22 States;

23 (13) investments in infrastructure create jobs
24 while fulfilling critical needs in communities
25 throughout the United States;

1 (14) it is estimated that nearly 17,200,000
2 workers, about 12 percent of the United States
3 workforce, were employed in infrastructure jobs in
4 2018;

5 (15) infrastructure occupations often provide
6 more competitive and equitable wages in comparison
7 to all jobs nationally, consistently paying up to 30
8 percent more to workers at lower ends of the income
9 scale;

10 (16) the sixth national assessment by the Envi-
11 ronmental Protection Agency of drinking water in-
12 frastructure needs shows a total 20-year capital im-
13 provement need of \$472,600,000,000 for public
14 water systems;

15 (17) emergency supplemental appropriations for
16 the Environmental Protection Agency, provided in
17 addition to other appropriations and not subject to
18 sequestration, will improve drinking water in schools
19 and high-risk communities and create jobs through-
20 out the United States without reducing funding for
21 other domestic priorities;

22 (18) appropriating \$50,000,000,000 in fiscal
23 year 2020 for the Environmental Protection Agency,
24 and allowing the funds to remain available for 5
25 years, will enable States to begin to immediately ex-

1 pand investments in addressing drinking water
2 needs in schools and in high-risk communities
3 throughout the United States;

4 (19) a \$50,000,000,000 investment in drinking
5 water infrastructure could create 1,250,000 jobs;

6 (20) an emergency supplemental appropriation
7 of \$50,000,000,000 for the Environmental Protec-
8 tion Agency, to be made available in fiscal year
9 2020, and to remain available for 5 years, will allow
10 States to begin immediately to distribute funds to el-
11 igible schools and high-risk communities to develop
12 and implement plans to improve drinking water in-
13 frastructure, through accelerated and expanded re-
14 placement of lead-based service lines and other crit-
15 ical infrastructure improvements, ensuring an effi-
16 cient use of funds and timely job creation;

17 (21) emergency supplemental appropriations for
18 remediating the drinking water infrastructure emer-
19 gency in the United States can be leveraged—

20 (A) to create high-quality union jobs; and

21 (B) to expand minority-owned businesses
22 to support the next generation of water infra-
23 structure contractors; and

24 (22) an emergency supplemental appropriation
25 of \$50,000,000,000 for the Environmental Protec-

1 tion Agency would allow numerous communities to
2 address the water infrastructure needs of those com-
3 munities and begin to combat the crisis in the
4 United States.

5 **SEC. 102. DEFINITIONS.**

6 In this title:

7 (1) ADMINISTRATOR.—The term “Adminis-
8 trator” means the Administrator of the Environ-
9 mental Protection Agency.

10 (2) DISADVANTAGED COMMUNITY.—The term
11 “disadvantaged community” has the meaning given
12 the term in section 1452(d)(3) of the Safe Drinking
13 Water Act (42 U.S.C. 300j–12(d)(3)).

14 (3) HIGH-RISK COMMUNITY.—The term “high-
15 risk community” means—

16 (A) a disadvantaged community in which
17 drinking water has tested for levels of contami-
18 nants, such as lead, copper, mercury, organic
19 chemicals, and other substances, above the con-
20 taminant levels allowed under the applicable na-
21 tional primary drinking water regulations (as
22 defined in section 1401 of the Safe Drinking
23 Water Act (42 U.S.C. 300f)); or

24 (B) in States in which State drinking
25 water contaminant requirements are stricter

1 than the applicable national primary drinking
2 water regulations (as defined in section 1401 of
3 the Safe Drinking Water Act (42 U.S.C.
4 300f)), a disadvantaged community in which
5 drinking water has tested for levels of contami-
6 nants at levels higher than allowed under the
7 applicable State contaminant requirement.

8 **SEC. 103. SUPPLEMENTAL APPROPRIATIONS FOR THE**
9 **DRINKING WATER INFRASTRUCTURE EMER-**
10 **GENCY.**

11 Out of any funds in the Treasury not otherwise ap-
12 propriated, for the fiscal year ending September 30, 2020,
13 \$50,000,000,000, to remain available until September 30,
14 2024, is appropriated to the Administrator for an addi-
15 tional amount for lead reduction investments through the
16 Environmental Protection Agency (including programs
17 such as the State response to contaminants grant program
18 under section 1459A(j) of the Safe Drinking Water Act
19 (42 U.S.C. 300j–19a(j)), the voluntary school and child
20 care program lead testing grant program under section
21 1464(d) of the Safe Drinking Water Act (42 U.S.C. 300j–
22 24(d)), and the drinking water fountain replacement for
23 schools program under section 1465 of the Safe Drinking
24 Water Act (42 U.S.C. 300j–25)), or additional grant pro-
25 grams (either in existence or to be developed) for projects

1 that protect high-risk communities from lead contamination in drinking water; provide for technical assistance or mitigation efforts; allow for replacement of lead-tainted infrastructure; provide funds for the purchase of filters certified by NSF International and the Water Quality Association for the removal of contaminants of concern in public water systems; or address lead testing in school and child care programs for which filtration of water systems in those school and child care programs has already been performed: *Provided*, That the amount under this heading is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)(i)), except that such amount shall be available only if the President subsequently so designates such amount and transmits such designation to Congress.

17 **TITLE II—WATER ACCESSIBILITY** 18 **AND AFFORDABILITY**

19 **SEC. 201. FINDINGS.**

20 Congress finds the following:

- 21 (1) Obtaining reliable and affordable water
- 22 service is becoming increasingly difficult due to
- 23 aging infrastructure, climate change, and population
- 24 changes.

1 (2) Household water rates have increased by
2 approximately 41 percent since 2010. Over the last
3 several decades, the cost for drinking water and
4 wastewater services has risen much more rapidly
5 than other household expenses.

6 (3) According to the Environmental Protection
7 Agency, low-income households are particularly im-
8 pacted by water affordability challenges when drink-
9 ing water, wastewater, and stormwater rates are
10 raised.

11 (4) Across the United States, water and waste-
12 water bills have been increasing at more than twice
13 the rate of inflation for nearly 2 decades. Addition-
14 ally, incomes have barely kept up with inflation over
15 the same period. It is anticipated that rates for
16 water and wastewater services will continue to in-
17 crease to meet the need for billions of dollars of
18 overdue investment in our Nation's water and waste-
19 water systems.

20 (5) The Environmental Protection Agency re-
21 ports that approximately 15 percent of residential
22 water customers nationally are low-income house-
23 holds that are constantly at risk of being unable to
24 pay their water bills.

1 (6) Low-income households are 3 times more
2 likely than other households to have their utility
3 service disconnected for unpaid or overdue bills.

4 (7) An estimated 15,000,000 people in the
5 United States experienced a water shutoff in 2016
6 with the highest shutoff rates in lower-income cities
7 with higher rates of poverty and unemployment.

8 (8) In 2017, total appropriations to the Envi-
9 ronmental Protection Agency for water infrastruc-
10 ture were 35 percent lower than the corresponding
11 2001 appropriations (adjusted for inflation) despite
12 massive capital investments being needed for drink-
13 ing water and wastewater systems.

14 (9) Water accessibility is a fundamental ele-
15 ment of public health, safety, welfare, and security.

16 **SEC. 202. DRINKING WATER, WASTEWATER, AND**
17 **STORMWATER SERVICES ASSISTANCE NEEDS-**
18 **BASED PROGRAM.**

19 (a) DEFINITIONS.—In this section:

20 (1) ENVIRONMENTALLY AT-RISK HOUSE-
21 HOLD.—The term “environmentally at-risk house-
22 hold” means such a household, as defined by the
23 Secretary after consultation with the Administrator
24 of the Environmental Protection Agency, considering
25 factors such as—

1 (A) the proximity of the household to an
2 environmentally hazardous site, including a
3 Superfund site or coal ash site (as such sites
4 are defined by the Administrator of the Envi-
5 ronmental Protection Administration), or
6 brownfield site (as defined in section 101 of the
7 Comprehensive Environmental Response, Com-
8 pensation, and Liability Act of 1980 (42 U.S.C.
9 9601));

10 (B) whether the household is in an area
11 that is affected by a consent decree relating to
12 compliance with the Federal Water Pollution
13 Control Act (33 U.S.C. 1251 et seq.);

14 (C) whether the household is in an area
15 that has been found to be in violation of the
16 Safe Drinking Water Act (42 U.S.C. 300f et
17 seq.) maximum contaminant level for any con-
18 taminant; and

19 (D) whether the household is located with-
20 in 5 miles of a pollution hotspot.

21 (2) HOUSEHOLD.—The term “household”
22 means any individual or group of individuals who
23 are living together as 1 economic unit.

24 (3) LOW-INCOME HOUSEHOLD.—The term
25 “low-income household” means a household—

1 (A) in which one or more individuals are
2 receiving—

3 (i) assistance under a State program
4 funded under part A of title IV of the So-
5 cial Security Act (42 U.S.C. 601 et seq.);

6 (ii) payments under the supplemental
7 security income program established under
8 title XVI of the Social Security Act (42
9 U.S.C. 1381 et seq.);

10 (iii) benefits under the supplemental
11 nutrition assistance program under the
12 Food and Nutrition Act of 2008 (7 U.S.C.
13 2011 et seq.); or

14 (iv) payments under—

15 (I) section 1315, 1521, 1541, or
16 1542 of title 38, United States Code;
17 or

18 (II) section 306 of the Veterans'
19 and Survivors' Pension Improvement
20 Act of 1978 (38 U.S.C. 1521 note;
21 Public Law 95–588); or

22 (B) that, subject to subsection (f), has an
23 income that, as determined by the State in
24 which the household is located, does not exceed
25 the greater of—

1 (i) an amount equal to 150 percent of
2 the poverty level (as defined in section
3 2603 of the Low-Income Home Energy As-
4 sistance Act of 1981 (42 U.S.C. 8622)) for
5 that State; and

6 (ii) an amount equal to 60 percent of
7 the median income for that State.

8 (4) POLLUTION HOTSPOT.—The term “pollu-
9 tion hotspot” means a location where pollution from
10 specific sources may expose an individual or commu-
11 nity to an elevated risk of adverse health and safety
12 effects, as determined by the Administrator of the
13 Environmental Protection Agency.

14 (5) SECRETARY.—The term “Secretary” means
15 the Secretary of Health and Human Services.

16 (6) STATE.—The term “State” means each of
17 the several States, the District of Columbia, the
18 Commonwealth of Puerto Rico, Guam, the United
19 States Virgin Islands, American Samoa, the Com-
20 monwealth of the Northern Mariana Islands, and an
21 Indian tribe (as defined in section 4 of the Indian
22 Self-Determination and Education Assistance Act
23 (25 U.S.C. 5304)).

24 (7) WATER BURDEN.—The term “water bur-
25 den” means the expenditures of a household for

1 drinking water, wastewater, and stormwater services,
2 divided by the income of the household.

3 (8) WATER CRISIS.—The term “water crisis”
4 means weather-related and supply shortage emer-
5 gencies, stormwater flooding, and other household
6 water-related emergencies, relating to drinking
7 water, wastewater, or stormwater services.

8 (b) ESTABLISHMENT.—

9 (1) IN GENERAL.—The Secretary is authorized
10 to make grants, in accordance with the provisions of
11 this section, to States to assist low-income house-
12 holds (particularly those with the lowest incomes rel-
13 ative to State poverty levels and median incomes,
14 that pay a high proportion of household income for
15 home drinking water, wastewater, and stormwater
16 services), including environmentally at-risk house-
17 holds that are also low-income households, primarily
18 in meeting their immediate home drinking water,
19 wastewater, and stormwater service needs. The Sec-
20 retary shall make the grants in the amounts of the
21 allotments made under paragraph (2).

22 (2) STATE ALLOTMENTS.—Not later than 1
23 year after the date of enactment of this Act, the
24 Secretary shall issue a rule to establish a formula
25 under which the Secretary shall make allotments to

1 States, from the amount authorized under sub-
2 section (h) for a fiscal year, for the grants described
3 in paragraph (1). The Secretary shall issue the rule
4 after consultation with States, local and Tribal gov-
5 ernments, community stakeholders, and other appro-
6 priate entities, in order to develop a formula that al-
7 lots grant funds based on need to States.

8 (3) PUBLIC HEARINGS.—After the expiration of
9 the first fiscal year for which a State receives funds
10 under this section, no funds shall be allotted to such
11 State for any fiscal year under this section unless
12 such State conducts public hearings with respect to
13 the proposed use and distribution of funds to be pro-
14 vided under this section for such fiscal year.

15 (c) APPLICATIONS.—

16 (1) IN GENERAL.—Each State desiring to re-
17 ceive an allotment for any fiscal year under this sec-
18 tion shall submit an application to the Secretary.
19 Each such application shall be in such form as the
20 Secretary shall require.

21 (2) CERTIFICATIONS.—As part of the annual
22 application of a State required by paragraph (1), the
23 chief executive officer of the State shall certify that
24 the State agrees—

1 (A) to use the funds available under this
2 section—

3 (i) to conduct outreach activities and
4 provide assistance to low-income house-
5 holds and environmentally at-risk house-
6 holds that are also low-income households
7 in meeting their home drinking water,
8 stormwater, and wastewater service costs,
9 particularly those households with the low-
10 est incomes that pay a high proportion of
11 household income for home drinking water,
12 stormwater, and wastewater service;

13 (ii) to intervene in water crisis situa-
14 tions;

15 (iii) to provide cost-effective water ef-
16 ficiency-related and other water needs-re-
17 lated home repair;

18 (iv) to plan, develop, and administer
19 the State's program under this section, in-
20 cluding leveraging programs;

21 (v) to develop technical assistance
22 plans in coordination with parties, agen-
23 cies, or governments referred to in sub-
24 section (d)(6) or program beneficiaries;

(vi) to prioritize applicants for subgrants or contracts that include program beneficiaries in design and implementation of the program; and

(vii) but not more than 5 percent of such funds, to support community engagement in the design and implementation of the program;

(B) not to use such funds for any purposes other than those specified in this section;

(C) to make payments under this section only with respect to—

(i) low-income households; and

(ii) environmentally at-risk households that are also low-income households;

(D) to conduct outreach activities and develop materials (in a language understandable to targeted households) designed to assure that eligible households (especially households with children, elderly individuals, or individuals with disabilities) and households with high water burdens, are made aware of the assistance available under this section, and any similar water-related assistance;

1 (E) to coordinate its activities under this
2 section with similar and related programs ad-
3 ministered by the Federal Government and such
4 State, particularly water-related programs for
5 low-income individuals;

6 (F) to provide, in a timely manner, that
7 the highest level of assistance will be furnished
8 to those households which have the lowest in-
9 comes and the highest costs or needs for home
10 drinking water, wastewater, or stormwater serv-
11 ices in relation to income, taking into account
12 family size;

13 (G) to the extent it is necessary, to des-
14 ignate local administrative agencies or Tribal
15 governments in order to carry out the objectives
16 of this section; and

17 (H) to the extent it is necessary, to deliver
18 services specified in the application through
19 community-based nonprofit entities in such
20 State, by awarding subgrants to, or entering
21 into contracts with, such entities for the pur-
22 pose of providing such services and payments
23 under this section directly to households eligible
24 for assistance under this section.

1 (3) PLAN.—As part of the annual application
2 required by paragraph (1), the chief executive officer
3 of the State shall include, in such format as the Sec-
4 retary may require, a plan which—

5 (A) describes the eligibility requirements to
6 be used by the State for each type of assistance
7 to be provided under this section;

8 (B) describes the benefit levels to be used
9 by the State for each type of assistance includ-
10 ing assistance to be provided for drinking
11 water, wastewater, and stormwater service
12 needs;

13 (C) contains estimates of the amount of
14 funds the State will use for each of the pro-
15 grams under such plan;

16 (D) describes water efficiency-related and
17 other water needs-related home repair the State
18 will provide under subsection (d)(6), including
19 any steps the State will take to address the
20 water efficiency-related home repair needs of
21 households that have high water burdens;

22 (E) in the absence of being able to directly
23 measure and quantify water use at the house-
24 hold level, provide a reasonable, unified ap-
25 proach such as using a fixed consumption level

1 for calculating assistance for household drink-
2 ing water, wastewater, and stormwater service
3 costs; and

4 (F) identifies the types of assistance, such
5 as types described in subsection (d), that may
6 be included in the program of assistance carried
7 out by the State under this section.

8 (d) TYPES OF ASSISTANCE.—A State that receives
9 a grant under this section may use the grant funds to pro-
10 vide, through a State program required in subsection (b)
11 a type of assistance that may include—

12 (1) direct financial assistance;

13 (2) a lifeline rate;

14 (3) bill discounting;

15 (4) assistance under special hardship provi-
16 sions;

17 (5) assistance through a percentage-of-income
18 payment plan; or

19 (6) water efficiency-related and water needs-re-
20 lated home repair, including direct installation of
21 water-efficient fixtures and leak repair, which may
22 be completed by a third party under a subgrant or
23 contract awarded by the State or by a local adminis-
24 trative agency or Tribal government designated by
25 the State.

1 (e) ASSISTANCE EXEMPT FROM TAXATION.—Not-
2 withstanding any other provision of law, assistance pro-
3 vided to a low-income household or an environmentally at-
4 risk household that is also a low-income household under
5 a program carried out by the State, a local administrative
6 agency, Tribal government, or a community-based non-
7 profit entity (on behalf of households), using a grant
8 under this section shall be exempt from income tax under
9 the Internal Revenue Code of 1986.

10 (f) LOWER INCOME LIMIT.—For purposes of this sec-
11 tion, a State may adopt an income limit that is lower than
12 the limit described in subsection (a)(3)(B), except that the
13 State may not exclude a household from eligibility in a
14 fiscal year based solely on household income if that income
15 is less than 110 percent of the poverty level for the State.

16 (g) REPORTING REQUIREMENTS.—

17 (1) IN GENERAL.—In addition to meeting any
18 other applicable reporting requirements, as a condi-
19 tion of receiving a grant under this section, a State
20 shall prepare and submit to the Secretary an annual
21 report that summarizes, in a manner determined by
22 the Secretary, the program carried out by the State
23 (including any portions carried out through designa-
24 tion of a local administrative agency or Tribal gov-
25 ernment or the award of a subgrant or contract to

1 a community-based nonprofit entity) under the
 2 grant, including—

3 (A) key features;

4 (B) sources of funding;

5 (C) eligibility criteria;

6 (D) participation rates;

7 (E) the monetary benefit per participant;

8 (F) program costs;

9 (G) the demonstrable impacts of the pro-
 10 gram on arrearage and service disconnection for
 11 households, to the maximum extent practicable;
 12 and

13 (H) other relevant information required by
 14 the Secretary.

15 (2) PUBLICATION.—The Secretary shall make
 16 available to the general public each report submitted
 17 under paragraph (1).

18 (h) AUTHORIZATION.—There is authorized to be ap-
 19 propriated to carry out this section \$2,000,000,000 for
 20 each of fiscal years 2020 through 2024.

21 **SEC. 203. ESTABLISHMENT OF FEDERAL GRANT PROGRAM**
 22 **FOR DRINKING WATER TREATMENT WORKS**
 23 **OPERATION AND MAINTENANCE.**

24 (a) IN GENERAL.—Not later than 2 years after the
 25 date of enactment of this Act, the Administrator of the

1 Environmental Protection Agency (referred to in this sec-
2 tion as the “Administrator”) shall establish a grant pro-
3 gram (referred to in this section as the “program”) to help
4 communities that serve environmentally at-risk households
5 and low-income households (as those terms are defined in
6 section 202) afford operations and maintenance costs of
7 drinking water treatment.

8 (b) ELIGIBLE USES.—A grant provided under the
9 program shall be used—

10 (1) to help water systems provide adequate and
11 affordable supplies of safe drinking water in both
12 the near- and long-term future; and

13 (2) to provide support to help public water sys-
14 tems (as defined in section 1401 of the Safe Drink-
15 ing Water Act (42 U.S.C. 300f) provide safe and af-
16 fordable drinking water.

17 (c) AUTHORIZATION OF APPROPRIATIONS.—There is
18 authorized to be appropriated to carry out the program
19 \$150,000,000 for each of fiscal years 2020 through 2024.

20 **TITLE III—INVESTMENTS IN NA-**
21 **TIONWIDE WATER INFRA-**
22 **STRUCTURE AND SUSTAIN-**
23 **ABILITY**

24 **SEC. 301. FINDINGS.**

25 Congress finds that—

1 (1) water is an essential resource for farms, cit-
2 ies, and the environment;

3 (2) in order to responsibly and sustainably
4 manage water, all different types of water, including
5 water that is stored, drinking water, flood waters,
6 wastewater, recycled water, and other types, should
7 be taken into account;

8 (3) according to a survey by the Government
9 Accountability Office of State water managers, at
10 least 40 States anticipate water shortages by 2024,
11 pointing to the need to conserve and sustainably
12 manage water;

13 (4) climate change is likely to increase the vul-
14 nerability of water supplies for communities and the
15 environment by—

16 (A) increasing the frequency and mag-
17 nitude of droughts and extreme precipitation
18 events;

19 (B) increasing air temperatures; and

20 (C) changing the patterns and volume of
21 precipitation;

22 (5) the water infrastructure of the United
23 States needs additional investment given the age of
24 the infrastructure and emerging issues, such as cli-
25 mate change;

1 (6) according to the American Society of Civil
2 Engineers, more than \$105,000,000,000 is needed
3 for drinking water and wastewater investment needs;

4 (7) a diverse portfolio of water management,
5 storage, recycling, and reuse techniques can help to
6 sustainably and responsibly manage water in the
7 United States;

8 (8) reducing water diversions from rivers and
9 lakes is important to sustain—

10 (A) native fish and wildlife; and

11 (B) the communities and Native American
12 tribes that depend on a healthy environment;

13 (9) a sustainable water supply relies on—

14 (A) the ability for environmentally sound
15 water storage projects;

16 (B) protection of clean water programs;

17 (C) financing for new technologies;

18 (D) developments and funding for water
19 recycling and reuse projects;

20 (E) improvements to wastewater systems
21 and flood management;

22 (F) increased conservation programs and
23 water efficiency; and

1 (G) instream flows of adequate quality and
2 quantity that protect native fish and wildlife
3 and the environment;

4 (10) the 16th Clean Watersheds Needs Survey
5 of the Environmental Protection Agency shows a
6 total 20-year capital improvement need of
7 \$271,000,000 to address the water quality objectives
8 of the Federal Water Pollution Control Act (33
9 U.S.C. 1251 et seq.);

10 (11) more than 21,000,000 households lack ac-
11 cess to a sewer system and instead rely on expensive
12 septic tanks or cesspools;

13 (12) more than 1,700,000 households lack ac-
14 cess to basic plumbing in the United States; and

15 (13) exposure to raw sewage inside or outside
16 of the home due to inadequate or failing wastewater
17 systems is a severe public health risk.

18 **SEC. 302. RECLAMATION INFRASTRUCTURE FINANCE AND**
19 **INNOVATION PILOT PROGRAM.**

20 (a) ESTABLISHMENT.—The Secretary of the Interior
21 (referred to in this section as the “Secretary”) shall estab-
22 lish and carry out a pilot program under which the Sec-
23 retary shall provide to eligible entities described in sub-
24 section (c) financial assistance in accordance with this sec-

1 tion to carry out eligible projects described in subsection
 2 (b).

3 (b) ELIGIBLE PROJECTS AND ELIGIBLE PROJECT
 4 COSTS.—

5 (1) IN GENERAL.—A project eligible to receive
 6 assistance under the pilot program under this sec-
 7 tion is a water supply project described in paragraph
 8 (2) that, as determined by the Secretary—

9 (A) is located in—

10 (i) the State of Alaska;

11 (ii) the State of Hawaii; or

12 (iii) a Reclamation State (as defined
 13 in section 4014 of the Water Infrastruc-
 14 ture Improvements for the Nation Act (43
 15 U.S.C. 390b note; Public Law 114–322));

16 (B) would contribute directly or indirectly
 17 (including through groundwater recharge) to a
 18 safe, adequate water supply for domestic, agri-
 19 cultural, environmental, municipal, or industrial
 20 use;

21 (C) complies with all applicable State and
 22 Federal laws;

23 (D) would provide net ecosystem benefits
 24 in excess of required environmental mitigation
 25 measures or compliance obligations pursuant to

1 State and Federal law, as described in para-
2 graph (6);

3 (E) uses natural infrastructure and na-
4 ture-based solutions where practicable;

5 (F) is economically feasible; and

6 (G) is otherwise eligible for assistance
7 under this section.

8 (2) WATER SUPPLY PROJECTS.—A water sup-
9 ply project referred to in paragraph (1) is—

10 (A) a project for the reclamation and reuse
11 of municipal, industrial, domestic, and agricul-
12 tural wastewater, and naturally impaired
13 ground water, which the Secretary, acting
14 through the Commissioner of Reclamation, is
15 authorized to undertake;

16 (B) any water infrastructure project not
17 specifically authorized by law that—

18 (i) the Secretary determines, through
19 the completion of an appraisal investiga-
20 tion and feasibility study, would contribute
21 to a safe, adequate water supply for do-
22 mestic, agricultural, environmental, munic-
23 ipal, or industrial use; and

24 (ii) is otherwise eligible for assistance
25 under this section;

1 (C) a new water infrastructure facility
2 project, including a water conduit, pipeline,
3 canal, pumping, power, and any associated fa-
4 cility;

5 (D) a project for enhanced energy effi-
6 ciency in the operation of a water system;

7 (E) a project for accelerated repair and re-
8 placement of all or a portion of an aging water
9 distribution or conveyance facility;

10 (F) a brackish desalination project;

11 (G) a project for the acquisition of real
12 property or an interest in real property for
13 water storage, reclaimed or recycled water, or
14 wastewater, if the acquisition is integral to a
15 project described in subparagraphs (A) through
16 (F);

17 (H) a project to deliver water to wildlife
18 refuges;

19 (I) a stormwater capture project; or

20 (J) a combination of projects, each of
21 which is eligible under subparagraphs (A)
22 through (I), for which an eligible entity submits
23 a single application.

1 (3) ELIGIBLE PROJECT COSTS.—An eligible
2 project cost that is eligible for assistance under this
3 section—

4 (A) shall be limited to a nonreimbursable
5 cost for elements of a project that would
6 achieve public benefits under the reclamation
7 laws; and

8 (B) includes the cost of—

9 (i) development-phase activities, in-
10 cluding planning, feasibility analysis, rev-
11 enue forecasting, environmental review,
12 permitting, transaction costs, preliminary
13 engineering and design work, and other
14 preconstruction activities;

15 (ii) construction, reconstruction, reha-
16 bilitation, and replacement activities;

17 (iii) the acquisition of real property
18 (including water rights, land relating to
19 the eligible project, and improvements to
20 land), environmental mitigation, construc-
21 tion contingencies, and acquisition of
22 equipment;

23 (iv) capitalized interest necessary to
24 meet market requirements, reasonably re-
25 quired reserve funds, capital issuance ex-

1 penses, and other carrying costs during
2 construction;

3 (v) refinancing interim construction
4 funding, long-term project obligations, or a
5 secured loan, loan guarantee, or other
6 credit enhancement made under this sec-
7 tion;

8 (vi) refinancing long-term project obli-
9 gations or Federal credit instruments, if
10 that refinancing provides additional fund-
11 ing capacity for the completion, enhance-
12 ment, or expansion of any eligible project
13 selected for assistance under this section;

14 (vii) reimbursement or success pay-
15 ments to any public or private entity that
16 achieves predetermined outcomes on a pay-
17 for-performance or pay-for-success basis;
18 and

19 (viii) grants, loans, or credit enhance-
20 ment for community development financial
21 institutions, green banks, and other finan-
22 cial intermediaries providing ongoing fi-
23 nance for eligible projects that meet the
24 purposes of this section.

1 (4) SMALL COMMUNITY PROJECTS.—For
2 projects eligible for assistance under this section and
3 section 5028(a)(2)(B) of the Water Resources Re-
4 form and Development Act of 2014 (33 U.S.C.
5 3907(a)(2)(B)), the Secretary may assist applicants
6 in combining one or more projects into a single ap-
7 plication in order to meet the minimum project cost
8 of \$5,000,000 required under that section.

9 (5) COST-SHARING REQUIREMENT; CERTAIN
10 USES.—

11 (A) COST SHARING.—The Federal share of
12 the eligible costs of a water supply project
13 under this section shall be not more than 25
14 percent.

15 (B) CERTAIN USES.—A water supply
16 project that receives assistance under this sec-
17 tion may use not more than 5 percent of
18 amounts made available under this section to
19 carry out activities to demonstrate progress to-
20 ward the goals of the water supply project.

21 (6) DETERMINATION OF NET ECOSYSTEM BEN-
22 EFITS.—

23 (A) DRAFT REPORT.—

24 (i) IN GENERAL.—Using the best
25 available scientific information and data,

1 the Director of the United States Fish and
2 Wildlife Service shall prepare a draft re-
3 port that evaluates the ecosystem impacts
4 and benefits of each proposed water supply
5 project being considered for financial as-
6 sistance under this section.

7 (ii) COORDINATION.—A draft report
8 required under clause (i) shall be prepared
9 in coordination with the head of the State
10 agency with jurisdiction over the fish and
11 wildlife resources of the State in which the
12 water supply project is proposed to be car-
13 ried out.

14 (iii) APPLICABLE LAW; REQUIRE-
15 MENTS.—A draft report prepared under
16 clause (i) shall—

17 (I) meet the requirements of sec-
18 tion 2(b) of the Fish and Wildlife Co-
19 ordination Act (16 U.S.C. 662(b));

20 (II) quantify and estimate the
21 ecosystem benefits and adverse im-
22 pacts to native fish and wildlife from
23 the proposed water supply project;
24 and

1 (III) evaluate whether the eco-
2 system benefits of the proposed water
3 supply project are likely to exceed the
4 ecosystem impacts of the proposed
5 water supply project.

6 (iv) REVIEW; AVAILABILITY.—The Di-
7 rector of the United States Fish and Wild-
8 life Service shall ensure that a draft report
9 prepared under clause (i) is—

10 (I) reviewed by independent sci-
11 entists; and

12 (II) made available for a public
13 review and comment period of not less
14 than 30 days.

15 (B) FINAL REPORT.—

16 (i) IN GENERAL.—The Director of the
17 United States Fish and Wildlife Service
18 shall prepare a final report based on the
19 applicable draft report prepared under sub-
20 paragraph (A)(i), after considering the re-
21 sults of the independent scientific peer re-
22 view and public comment processes under
23 subparagraph (A)(iv).

1 (ii) TRANSMISSION; AVAILABILITY.—A
2 final report prepared under clause (i) shall
3 be—

4 (I) transmitted to—

5 (aa) the project applicant;

6 (bb) the relevant State agen-
7 cy; and

8 (cc) relevant congressional
9 committees; and

10 (II) made available to the public.

11 (iii) DETERMINATION.—If a final re-
12 port prepared under clause (i) determines
13 that the water supply project provides net
14 ecosystem benefits, the proposed water
15 supply project shall be eligible for financial
16 assistance under this section.

17 (iv) RECOMMENDATIONS.—If a final
18 report determines that the proposed water
19 supply project fails to provide a net eco-
20 system improvement, the final report may
21 identify potential recommendations to re-
22 duce adverse environmental impacts and
23 improve environmental benefits of the pro-
24 posed water supply project.

1 (v) FINAL AGENCY ACTION.—A final
2 report prepared under clause (i) shall be
3 considered to be a final agency action for
4 purposes of section 704 of title 5, United
5 States Code.

6 (vi) JUDICIAL REVIEW.—A final re-
7 port prepared under clause (i) shall be sub-
8 ject to review in the Federal district court
9 of the State in which the project is pro-
10 posed to be constructed if a petition for re-
11 view is filed with the court not later than
12 180 days after the date on which the final
13 report is transmitted under clause (ii).

14 (c) ELIGIBLE ENTITIES.—The following entities are
15 eligible to receive assistance under this section:

16 (1) An entity described in section 5025 of the
17 Water Resources Reform and Development Act of
18 2014 (33 U.S.C. 3904).

19 (2) A conservancy district, Reclamation district,
20 or irrigation district.

21 (3) A canal company or mutual water company.

22 (4) A water users' association.

23 (5) An agency established by an interstate com-
24 pact.

1 (6) Any other individual or entity that has the
2 capacity to contract with the United States under
3 the reclamation laws.

4 (d) REQUIREMENTS.—

5 (1) PROJECT SELECTION.—In selecting eligible
6 projects to receive assistance under the pilot pro-
7 gram under this section, the Secretary shall ensure
8 diversity with respect to—

9 (A) project type; and

10 (B) geographical location within the States
11 referred to in subsection (b)(1)(A).

12 (2) PRIORITY.—In selecting eligible projects to
13 receive assistance under this section, the Secretary
14 shall prioritize projects that—

15 (A) would benefit—

16 (i) low-income communities; or

17 (ii)(I) communities particularly at-risk
18 to climate change; and

19 (II) environmentally at-risk commu-
20 nities;

21 (B) to the maximum extent practicable, in-
22 corporate green and natural infrastructure com-
23 ponents; and

24 (C) achieve multiple public benefits.

1 (3) IMPORTATION OF OTHER REQUIREMENTS.—

2 The following provisions of law shall apply to the
3 pilot program under this section:

4 (A) Sections 5022, 5024, 5027, 5028,
5 5029, 5030, 5031, 5032, and 5034(a) of the
6 Water Resources Reform and Development Act
7 of 2014 (33 U.S.C. 3901, 3903, 3906, 3907,
8 3908, 3909, 3910, 3911, and 3913(a)), except
9 that—

10 (i) any reference contained in those
11 sections to the Secretary of the Army shall
12 be considered to be a reference to the Sec-
13 retary;

14 (ii) any reference contained in those
15 sections to an eligible project shall be con-
16 sidered to be a reference to an eligible
17 project described in subsection (b);

18 (iii) paragraphs (1)(E) and (6)(B) of
19 subsection (a), and subsection (b)(3), of
20 section 5028 of that Act (33 U.S.C. 3907)
21 shall not apply with respect to this section;
22 and

23 (iv) subsections (e) and (f) of section
24 5030 of that Act (33 U.S.C. 3909) shall
25 not apply with respect to this section.

1 (B) The agreement between the Adminis-
2 trator of the Environmental Protection Agency
3 and the Commissioner of Reclamation required
4 under section 4301 of the America's Water In-
5 frastructure Act of 2018 (Public Law 115–
6 270).

7 (C) Other applicable environmental laws,
8 including the National Environmental Policy
9 Act of 1969 (42 U.S.C. 4321 et seq.).

10 (e) AUTHORIZATION OF APPROPRIATIONS.—

11 (1) IN GENERAL.—There is authorized to be
12 appropriated to the Secretary to carry out the pilot
13 program under this section \$150,000,000 for each of
14 fiscal years 2020 through 2024, to remain available
15 until expended.

16 (2) ADMINISTRATIVE COSTS.—Of the funds
17 made available under paragraph (1), the Secretary
18 may use for administrative costs of carrying out the
19 pilot program under this section (including for the
20 provision of technical assistance to project sponsors
21 pursuant to paragraph (3), to obtain any necessary
22 approval, and for transfer to the Administrator of
23 the Environmental Protection Agency to provide as-
24 sistance in administering and servicing Federal cred-

1 it instruments under the pilot program) not more
2 than \$5,000,000 for each applicable fiscal year.

3 (3) SMALL COMMUNITY PROJECTS.—

4 (A) IN GENERAL.—Subject to subpara-
5 graph (B), the Commissioner may use the
6 funds made available under paragraph (2) to
7 provide assistance, including assistance to pay
8 the costs of acquiring the rating opinion letters
9 under paragraph (1)(D) of section 5028(a) of
10 the Water Resources Reform and Development
11 Act of 2014 (33 U.S.C. 3907(a)), to assist
12 project sponsors in obtaining the necessary ap-
13 provals for small community projects that are
14 eligible for assistance under paragraph (2)(B)
15 of that section or subsection (b)(3).

16 (B) LIMITATION.—Assistance provided to
17 a project sponsor under subparagraph (A) may
18 not exceed an amount equal to 75 percent of
19 the total administrative costs incurred by the
20 project sponsor in securing financial assistance
21 under this section.

22 (f) LIMITATION.—No eligible project that receives as-
23 sistance under this section may be financed (directly or
24 indirectly), in whole or in part, with proceeds of any obli-
25 gation the interest on which is exempt from the tax im-

1 posed under chapter 1 of the Internal Revenue Code of
2 1986.

3 (g) EFFECT.—Nothing in this section affects the au-
4 thority of a State or a political subdivision of a State to
5 apply and enforce any environmental laws (including regu-
6 lations) with respect to an eligible project provided assist-
7 ance under this section.

8 **SEC. 303. WATER RECYCLING AND REUSE PROJECTS.**

9 (a) COMPETITIVE GRANT PROGRAM FOR THE FUND-
10 ING OF WATER RECYCLING AND REUSE PROJECTS.—Sec-
11 tion 1602(f) of the Reclamation Wastewater and Ground-
12 water Study and Facilities Act (43 U.S.C. 390h(f)) is
13 amended by striking paragraphs (2) and (3) and inserting
14 the following:

15 “(2) PRIORITY.—In providing grants under
16 paragraph (1), the Secretary shall give priority to
17 projects that—

18 “(A) are likely to provide a more-reliable
19 water supply for a unit of State, local, or Tribal
20 government;

21 “(B) are likely to increase the water man-
22 agement flexibility and reduce impacts on envi-
23 ronmental resources;

24 “(C) are regional in nature;

25 “(D) involve multiple stakeholders;

1 “(E) provide multiple benefits, including
2 water supply reliability, ecosystem benefits,
3 groundwater management and enhancements,
4 and water quality improvements;

5 “(F) would benefit low-income commu-
6 nities; or

7 “(G) would protect communities particu-
8 larly at-risk to climate change and environ-
9 mental degradation.”.

10 (b) AUTHORIZATION OF APPROPRIATIONS.—Section
11 1602(g) of the Reclamation Wastewater and Groundwater
12 Study and Facilities Act (43 U.S.C. 390h(g)) is amend-
13 ed—

14 (1) in paragraph (1), by striking
15 “\$50,000,000” and inserting “\$500,000,000”; and

16 (2) in paragraph (2), by striking “if enacted
17 appropriations legislation designates funding to
18 them by name,”.

19 (c) LIMITATION ON FUNDING.—Section 1631(d)(1)
20 of the Reclamation Wastewater and Groundwater Study
21 and Facilities Act (43 U.S.C. 390h–13(d)(1)) is amended
22 by striking “\$20,000,000 (October 1996 prices)” and in-
23 serting “\$30,000,000 (January 2019 prices)”.

1 (d) DURATION.—Section 4013 of the Water Infra-
 2 structure Improvements for the Nation Act (43 U.S.C.
 3 390b note; Public Law 114–322) is amended—

4 (1) in paragraph (1), by striking “and”;

5 (2) in paragraph (2), by striking the period and
 6 inserting “; and”; and

7 (3) by adding at the end the following:

8 “(3) the amendment made by section 4009(c).”.

9 (e) PROGRAMS FOR ALTERNATIVE WATER SOURCE
 10 PROJECTS.—Section 220 of the Federal Water Pollution
 11 Control Act (33 U.S.C. 1300) is amended to read as fol-
 12 lows:

13 **“SEC. 220. PROGRAM FOR ALTERNATIVE WATER SOURCE**
 14 **PROJECTS.**

15 “(a) DEFINITIONS.—In this section:

16 “(1) ALTERNATIVE WATER SOURCE PROJECT.—

17 “(A) IN GENERAL.—The term ‘alternative
 18 water source project’ means a project that—

19 “(i) is designed to provide municipal,
 20 industrial, or agricultural water supplies in
 21 an environmentally sustainable manner by
 22 conserving, managing, reclaiming, or
 23 reusing water, wastewater, or stormwater,
 24 or by treating wastewater or stormwater;
 25 and

1 “(ii) provides an alternative to tradi-
2 tional water projects that divert or store
3 water from natural aquatic ecosystems, in-
4 cluding rivers, lakes, streams, and estu-
5 aries.

6 “(B) EXCLUSION.—The term ‘alternative
7 water source project’ does not include any
8 water treatment or distribution facility.

9 “(2) CRITICAL WATER SUPPLY NEEDS.—The
10 term ‘critical water supply needs’ means existing or
11 reasonably anticipated future water supply needs
12 that cannot be met by existing water supplies, as
13 identified in a comprehensive statewide or regional
14 water supply plan or assessment projected over a pe-
15 riod of not less than 20 years.

16 “(b) ESTABLISHMENT.—The Administrator shall es-
17 tablish a program to make grants to State, interstate, and
18 intrastate water resource development agencies (including
19 water management districts and water supply authorities),
20 local government agencies, Tribal governments, private
21 utilities, and nonprofit entities for alternative water source
22 projects to meet critical water supply needs.

23 “(c) ELIGIBLE ENTITY.—The Administrator may
24 award a grant under this section to an entity only if the
25 entity has authority under State law to develop or provide

1 water for municipal, industrial, and agricultural uses in
2 an area of the State that is experiencing critical water
3 supply needs.

4 “(d) SELECTION OF PROJECTS.—

5 “(1) LIMITATION.—A project that has received
6 funds for construction under the Reclamation
7 Projects Authorization and Adjustment Act of 1992
8 (43 U.S.C. 390h et seq.) shall not be eligible for a
9 grant under this section.

10 “(2) GEOGRAPHICAL DISTRIBUTION.—Alter-
11 native water source projects selected by the Adminis-
12 trator for a grant under this section shall reflect a
13 variety of geographical and environmental condi-
14 tions.

15 “(e) USES OF GRANT FUNDS.—

16 “(1) IN GENERAL.—Subject to paragraph (2), a
17 grant received under this section may be used for
18 engineering, design, construction, and final testing
19 of an alternative water source project designed to
20 meet critical water supply needs.

21 “(2) EXCLUSION.—A grant received under this
22 section may not be used for planning, a feasibility
23 study, operation, maintenance, replacement, repair,
24 or rehabilitation.

1 “(f) COST SHARING.—The Federal share of the eligi-
 2 ble costs of an alternative water source project carried out
 3 using a grant under this section shall be not more than
 4 50 percent.

5 “(g) REPORT.—Not later than September 30, 2023,
 6 the Administrator shall submit to Congress a report de-
 7 scribing the results of the grant program established
 8 under subsection (b), including progress toward meeting
 9 the critical water supply needs of the grant recipients.

10 “(h) AUTHORIZATION OF APPROPRIATIONS.—There
 11 is authorized to be appropriated to carry out this section
 12 \$500,000,000 for fiscal year 2020 and each fiscal year
 13 thereafter, to remain available until expended.

14 “(i) POLICY.—Nothing in this section affects the ap-
 15 plication of section 101(g) and all of the provisions of this
 16 section shall be carried out in accordance with that sec-
 17 tion.”.

18 **SEC. 304. MANDATORY SPENDING FOR WATER INFRA-**
 19 **STRUCTURE PROGRAMS.**

20 (a) CLEAN WATER PROGRAMS.—

21 (1) IN GENERAL.—At the beginning of each fis-
 22 cal year, the Administrator shall obligate for the fis-
 23 cal year—

24 (A) \$174,250,000 to make grants to non-
 25 profit organizations to provide technical assist-

1 ance and disseminate information under section
2 104(b)(8) of the Federal Water Pollution Con-
3 trol Act (33 U.S.C. 1254(b)(8));

4 (B) \$522,750,000 to make grants for pol-
5 lution control programs under section 106 of
6 the Federal Water Pollution Control Act (33
7 U.S.C. 1256);

8 (C) \$871,250,000 to make grants for the
9 implementation of management programs under
10 section 319(h)(1) of the Federal Water Pollu-
11 tion Control Act (33 U.S.C. 1329(h)(1)); and

12 (D) \$1,000,000 to assist in the planning,
13 development, strengthening, improving, or car-
14 rying out of programs or projects for the prepa-
15 ration of undergraduate students to enter an
16 occupation which involves the design, operation,
17 and maintenance of treatment works and other
18 facilities under section 109 of the Federal
19 Water Pollution Control Act (33 U.S.C. 1259).

20 (2) PRIORITIES.—Notwithstanding any other
21 provision of law, in using the funds obligated under
22 paragraph (1), the Administrator shall give priority
23 to projects or programs that—

24 (A) benefit low-income communities;

1 (B) benefit communities that are subject to
2 a consent decree in an action brought under the
3 Federal Water Pollution Control Act (33 U.S.C.
4 1251 et seq.);

5 (C) reflect a variety of geographic condi-
6 tions; and

7 (D) benefit communities with a history of
8 degraded environmental conditions.

9 (3) FUNDING.—

10 (A) IN GENERAL.—On October 1 of each
11 fiscal year, out of any funds in the Treasury
12 not otherwise appropriated, the Secretary of the
13 Treasury shall transfer to the Administrator to
14 carry out this subsection \$1,569,250,000, to re-
15 main available until expended.

16 (B) RECEIPT AND ACCEPTANCE.—The Ad-
17 ministrator shall be entitled to receive, shall ac-
18 cept, and shall use to carry out this section the
19 funds transferred under subparagraph (A),
20 without further appropriation.

21 (b) SAFE DRINKING WATER PROGRAMS.—

22 (1) IN GENERAL.—At the beginning of each fis-
23 cal year, the Administrator shall obligate for the fis-
24 cal year—

1 (A) \$174,250,000 to provide technical as-
2 sistance to small public water systems to enable
3 those systems to achieve and maintain compli-
4 ance with applicable national primary drinking
5 water regulations under section 1442(e) of the
6 Safe Drinking Water Act (42 U.S.C. 300j-
7 1(e)); and

8 (B) \$1,045,500,000 to make grants under
9 the voluntary school and child care program
10 lead testing grant program under section
11 1464(d) of the Safe Drinking Water Act (42
12 U.S.C. 300j-24(d)).

13 (2) PRIORITIES.—Notwithstanding any other
14 provision of law, in using the funds obligated under
15 paragraph (1), the Administrator shall give priority
16 to projects or programs that—

17 (A) benefit low-income communities;

18 (B) benefit communities that are subject to
19 a consent decree in an action brought under the
20 Safe Drinking Water Act (42 U.S.C. 300f et
21 seq.);

22 (C) reflect a variety of geographic condi-
23 tions; and

24 (D) benefit communities with a history of
25 degraded environmental conditions.

1 (3) FUNDING.—

2 (A) IN GENERAL.—On October 1 of each
3 fiscal year, out of any funds in the Treasury
4 not otherwise appropriated, the Secretary of the
5 Treasury shall transfer to the Administrator to
6 carry out this subsection \$1,219,750,000, to re-
7 main available until expended.

8 (B) RECEIPT AND ACCEPTANCE.—The Ad-
9 ministrator shall be entitled to receive, shall ac-
10 cept, and shall use to carry out this section the
11 funds transferred under subparagraph (A),
12 without further appropriation.

13 (c) STATE REVOLVING FUNDS.—

14 (1) IN GENERAL.—At the beginning of each fis-
15 cal year, the Administrator shall obligate for the fis-
16 cal year—

17 (A) \$15,682,500,000 for making capital-
18 ization grants for State water pollution control
19 revolving funds established under title VI of the
20 Federal Water Pollution Control Act (33 U.S.C.
21 1381 et seq.); and

22 (B) \$15,159,750,000 for making capital-
23 ization grants for State drinking water treat-
24 ment revolving loan funds established under

1 section 1452 of the Safe Drinking Water Act
2 (42 U.S.C. 300j–12).

3 (2) FUNDING.—

4 (A) IN GENERAL.—On October 1 of each
5 fiscal year, out of any funds in the Treasury
6 not otherwise appropriated, the Secretary of the
7 Treasury shall transfer to the Administrator to
8 carry out this subsection \$30,842,250,000, to
9 remain available until expended.

10 (B) RECEIPT AND ACCEPTANCE.—The Ad-
11 ministrator shall be entitled to receive, shall ac-
12 cept, and shall use to carry out this section the
13 funds transferred under subparagraph (A),
14 without further appropriation.

15 (3) SENSE OF CONGRESS.—It is the sense of
16 Congress that States should use the funding pro-
17 vided under this subsection to give priority to
18 projects that—

19 (A) benefit low-income communities;

20 (B) benefit communities that are subject to
21 a consent decree in an action brought under the
22 Safe Drinking Water Act (42 U.S.C. 300f et
23 seq.);

24 (C) reflect a variety of geographic condi-
25 tions; and

1 (D) benefit communities with a history of
 2 degraded environmental conditions.

3 (d) MINIMUM ALLOCATION OF ADDITIONAL SUB-
 4 SIDIZATION OF DRINKING WATER STATE REVOLVING
 5 FUNDS.—Section 603(i)(3) of the Federal Water Pollu-
 6 tion Control Act (33 U.S.C. 1383(i)(3)) is amended—

7 (1) by redesignating subparagraphs (C) and
 8 (D) as subparagraphs (D) and (E), respectively; and

9 (2) by inserting after subparagraph (B) the fol-
 10 lowing:

11 “(C) MINIMUM ALLOCATION OF ADDI-
 12 TIONAL SUBSIDIZATION.—To the extent that
 13 there are sufficient applications for the assist-
 14 ance described in paragraph (1)(A), in each fis-
 15 cal year, a State shall use not less than 6 per-
 16 cent of the total amount received by the State
 17 in capitalization grants under this title to pro-
 18 vide additional subsidization under this sub-
 19 section.”.

20 **SEC. 305. EXPANDING AND INCREASING FUNDING FOR**
 21 **RURAL INDIVIDUAL AND CONNECTED WATER**
 22 **SYSTEMS PROGRAMS.**

23 (a) IN GENERAL.—At the beginning of each fiscal
 24 year, the Secretary of Agriculture (referred to in this sec-
 25 tion as the “Secretary”) shall obligate for the fiscal year—

1 (1) \$871,250,000 in additional funding—

2 (A) to make grants for individual house-
3 hold water well systems and individually owned
4 household decentralized wastewater systems, in-
5 cluding drainage fields, under section 306E of
6 the Consolidated Farm and Rural Development
7 Act (7 U.S.C. 1926e); and

8 (B) for water or waste disposal grants
9 under section 306(a)(2) of the Consolidated
10 Farm and Rural Development Act (7 U.S.C.
11 1926(a)(2)); and

12 (2) \$100,000,000 in additional funding to make
13 grants under the Special Evaluation Assistance for
14 Rural Communities and Households program under
15 section 306(a)(2)(C) of the Consolidated Farm and
16 Rural Development Act (7 U.S.C. 1926(a)(2)(C)).

17 (b) FUNDING.—

18 (1) IN GENERAL.—On October 1 of each fiscal
19 year, out of any funds in the Treasury not otherwise
20 appropriated, the Secretary of the Treasury shall
21 transfer to the Secretary to carry out this section
22 \$971,250,000, to remain available until expended.

23 (2) RECEIPT AND ACCEPTANCE.—The Sec-
24 retary shall be entitled to receive, shall accept, and
25 shall use to carry out this section the funds trans-

1 ferred under paragraph (1), without further appro-
 2 priation.

3 (c) RURAL DECENTRALIZED WATER SYSTEMS.—Sec-
 4 tion 306E(b)(1) of the Consolidated Farm and Rural De-
 5 velopment Act (7 U.S.C. 1926e(b)(1)) is amended—

6 (1) by inserting “replacement, repairing,” after
 7 “construction,”; and

8 (2) by inserting “, including drainage fields,”
 9 after “wastewater systems”.

10 **SEC. 306. INCREASED FUNDING FOR WATER MANAGEMENT**
 11 **IMPROVEMENT.**

12 Section 9504(e) of the Omnibus Public Land Man-
 13 agement Act of 2009 (42 U.S.C. 10364(e)) is amended
 14 by striking “\$480,000,000” and inserting
 15 “\$550,000,000”.

16 **SEC. 307. WATER EFFICIENCY AND CONSERVATION BLOCK**
 17 **GRANT PROGRAM.**

18 (a) DEFINITIONS.—In this section:

19 (1) ELIGIBLE ENTITY.—The term “eligible enti-
 20 ty” means—

21 (A) a State;

22 (B) a unit of local government;

23 (C) an entity established by an interstate
 24 compact; and

25 (D) an Indian tribe.

1 (2) INDIAN TRIBE.—The term “Indian tribe”
2 has the meaning given the term in section 4 of the
3 Indian Self-Determination and Education Assistance
4 Act (25 U.S.C. 5304).

5 (3) PROGRAM.—The term “program” means
6 the program established under subsection (b).

7 (4) SECRETARY.—The term “Secretary” means
8 the Secretary of Energy.

9 (5) STATE.—The term “State” means—

10 (A) a State;

11 (B) the District of Columbia;

12 (C) the Commonwealth of Puerto Rico;

13 and

14 (D) any other territory or possession of the
15 United States.

16 (b) ESTABLISHMENT.—The Secretary shall establish
17 a program, to be known as the “Water Efficiency and
18 Conservation Block Grant Program”, under which the
19 Secretary shall provide grants to eligible entities to carry
20 out activities to achieve the purpose of the program de-
21 scribed in subsection (c).

22 (c) PURPOSE.—The purpose of the program is to as-
23 sist eligible entities in implementing strategies—

24 (1) to reduce water use in a manner that—

25 (A) is environmentally sustainable;

1 (B) improves the affordability of water and
2 sanitation for disadvantaged communities; and

3 (C) maximizes benefits for local and re-
4 gional communities;

5 (2) to reduce the total water use of the people,
6 businesses, farms, and institutions located within the
7 jurisdiction of eligible entities receiving grants under
8 the program;

9 (3) to improve water efficiency in the agricul-
10 tural sector, building sector, or any other appro-
11 priate sector operating within the jurisdictions of the
12 eligible entities receiving grants under the program;
13 and

14 (4) to reduce the energy required to pump,
15 transport, treat, and heat water.

16 (d) ACTIVITIES.—An eligible entity may use a grant
17 under the program to carry out activities that include—

18 (1) developing and implementing a water effi-
19 ciency and conservation strategy;

20 (2) retaining technical consultant services to as-
21 sist in the development of the strategy described in
22 paragraph (1), including services to assist with—

23 (A) the formulation of water efficiency,
24 water conservation, and water usage goals;

1 (B) the engagement of water users and
2 other stakeholders in the identification of goals
3 and priorities for water efficiency and conserva-
4 tion;

5 (C) the identification of strategies to
6 achieve the goals formulated under subpara-
7 graphs (A) and (B)—

8 (i) through investments in physical
9 measures to increase water efficiency and
10 reduce water consumption;

11 (ii) by encouraging water conservation
12 practices by—

13 (I) the population served by the
14 eligible entity; and

15 (II) the suppliers of water and
16 sanitation services operating within
17 the jurisdiction of the eligible entity;
18 and

19 (iii) by collecting any revenues that
20 may be required to support the implemen-
21 tation of those strategies through fair and
22 transparent mechanisms that encourage ef-
23 ficient water use and support the afford-
24 ability of water and sanitation services for
25 low-income households;

1 (D) the development of methods to meas-
2 ure progress in achieving the goals formulated
3 under subparagraphs (A) and (B);

4 (E) the development and publication of an-
5 nual reports, made available to the population
6 served by the eligible entity, describing—

7 (i) the goals formulated under sub-
8 paragraphs (A) and (B) and the strategies
9 identified under subparagraph (C); and

10 (ii) the progress made in achieving
11 those goals and strategies during the pre-
12 ceding calendar year; and

13 (F) any other activities appropriate to im-
14 plement the strategy described in paragraph
15 (1);

16 (3) conducting residential and commercial
17 building water audits;

18 (4) conducting water loss audits of public water
19 distribution systems, securing validation of the audit
20 reports, and conducting component analyses of any
21 leaks and losses described in an audit report;

22 (5) establishing a financial incentive program
23 for water efficiency improvements;

24 (6) providing grants to nonprofit organizations,
25 governmental agencies, and Tribal governments for

1 the purpose of performing water efficiency upgrades
2 that result in quantifiable savings;

3 (7) developing and implementing water effi-
4 ciency and conservation programs for buildings and
5 facilities within the jurisdiction of the eligible entity,
6 including programs that—

7 (A) identify the most effective methods for
8 achieving maximum participation rates and ad-
9 ministrative efficiency;

10 (B) effectively engage the owners and ten-
11 ants of affordable housing;

12 (C) have a public education component;

13 (D) use measurement and verification pro-
14 tocols; and

15 (E) identify water efficient technologies;

16 (8) developing and implementing building codes
17 and inspection services to promote building water ef-
18 ficiency;

19 (9) adopting ordinances for the annual
20 benchmarking of the water use of large buildings
21 and the public posting of water benchmark reports;

22 (10) implementing water distribution tech-
23 nologies that significantly increase water efficiency,
24 including—

1 (A) customer service meters with enhanced
2 accuracy at low flow levels;

3 (B) automated meter infrastructure for
4 data collection, analysis, and display;

5 (C) pressure monitoring and management
6 to mitigate excessive pressure;

7 (D) agricultural water distribution im-
8 provements, including—

9 (i) water measurement devices of suf-
10 ficient accuracy to use for billing purposes;

11 (ii) enclosure and pressurization of
12 agricultural water delivery systems; and

13 (iii) addition of regulatory storage and
14 automated controls within distribution sys-
15 tems to enable fulfillment of irrigation de-
16 livery requests in not more than 24 hours;
17 and

18 (E) other activities that may have water
19 conservation and efficiency benefits; and

20 (11) any other appropriate activities, as deter-
21 mined by the Secretary, in consultation with—

22 (A) the Administrator of the Environ-
23 mental Protection Agency;

24 (B) the Secretary of Transportation;

25 (C) the Secretary of Agriculture; and

1 (D) the Secretary of Housing and Urban
2 Development.

3 (e) AUTHORIZATION OF APPROPRIATIONS.—There is
4 authorized to be appropriated to the Secretary to carry
5 out this section \$2,000,000,000 for each of fiscal years
6 2020 through 2024.

7 **SEC. 308. RURAL WATER SUPPLY PROGRAM REAUTHORIZA-**
8 **TION.**

9 (a) AUTHORIZATION OF APPROPRIATION.—Section
10 109(a) of the Rural Water Supply Act of 2006 (43 U.S.C.
11 2408(a)) is amended by striking “2016” and inserting
12 “2026”.

13 (b) TERMINATION OF AUTHORITY.—Section 110 of
14 the Rural Water Supply Act of 2006 (43 U.S.C. 2409)
15 is amended by striking “2016” and inserting “2026”.

16 **SEC. 309. COMBATING PFAS.**

17 Section 1412 of the Safe Drinking Water Act (42
18 U.S.C. 300g–1) is amended by adding at the end the fol-
19 lowing:

20 “(f) PERFLUOROALKYL AND POLYFLUOROALKYL
21 SUBSTANCES.—

22 “(1) IN GENERAL.—Notwithstanding any other
23 provision of this Act and subject to paragraph (3),
24 the Administrator shall promulgate under subsection

1 (b)(1)(D) an interim national primary drinking
2 water regulation—

3 “(A) for each perfluoroalkyl or polyfluoro-
4 alkyl substance described in paragraph (2) for
5 which the Administrator has established a
6 health advisory under subsection (b)(1)(F) or a
7 toxicity value, not later than 2 years after the
8 date of enactment of this subsection; and

9 “(B) for the class of perfluoroalkyl and
10 polyfluoroalkyl substances described in para-
11 graph (2) for which the Administrator has not
12 established a health advisory under subsection
13 (b)(1)(F) or a toxicity value, not later than 4
14 years after the date of enactment of this sub-
15 section.

16 “(2) PERFLUOROALKYL AND
17 POLYFLUOROALKYL SUBSTANCE DESCRIBED.—A
18 perfluoroalkyl and polyfluoroalkyl substance referred
19 to in paragraph (1) is a perfluoroalkyl or
20 polyfluoroalkyl substance for which the Adminis-
21 trator has validated a method to measure the level
22 of that substance in drinking water.

23 “(3) REQUIREMENT.—An interim national pri-
24 mary drinking water regulation promulgated pursu-
25 ant to paragraph (1) shall be—

1 “(A) protective of the health of vulnerable
2 populations, including pregnant women, infants,
3 and children; and

4 “(B) shall be as stringent as feasible (as
5 defined in subsection (b)(4)(D)).”.

6 **SEC. 310. MULTI-BENEFIT PROJECTS TO IMPROVE WATER-**
7 **SHED HEALTH.**

8 (a) IN GENERAL.—Not later than 1 year after the
9 date of enactment of this Act, the Secretary of the Inte-
10 rior, in consultation with the heads of relevant agencies,
11 shall establish a competitive grant program for habitat
12 restoration projects that accomplish one or more of the
13 following:

14 (1) Improve watershed health.

15 (2) Mitigate against the impacts of climate
16 change.

17 (3) Benefit ecosystems.

18 (4) Protect against endemic species.

19 (5) Restore aspects of the natural ecosystem.

20 (6) Enhance commercial and recreational fish-
21 ing.

22 (b) REQUIREMENTS.—

23 (1) IN GENERAL.—In awarding a grant under
24 subsection (a), the Secretary—

1 (A) shall give priority to a project that
2 achieves more than 1 of the benefits described
3 in that subsection; and

4 (B) may not provide a grant for a project
5 that is for the purpose of meeting existing envi-
6 ronmental mitigation or compliance obligations.

7 (2) COMPLIANCE.—A project awarded a grant
8 under subsection (a) shall comply with all applicable
9 Federal and State laws.

10 (c) AUTHORIZATION OF APPROPRIATIONS.—There is
11 authorized to be appropriated to carry out this section
12 \$150,000,000 for each of fiscal years 2020 through 2024.

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