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HOUSE OF REPRESENTATIVES
REPORT
117–69

WATER QUALITY PROTECTION AND JOB CREATION ACT OF 2021

JUNE 22, 2021.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. DEFAZIO, from the Committee on Transportation and Infrastructure, submitted the following

R E P O R T

together with

MINORITY VIEWS

[To accompany H.R. 1915]

The Committee on Transportation and Infrastructure, to whom was referred the bill (H.R. 1915) to amend the Federal Water Pollution Control Act to reauthorize certain water pollution control programs, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

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19–006

The amendment is as follows:
Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Water Quality Protection and Job Creation Act of 2021".

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

SEC. 2. WASTEWATER INFRASTRUCTURE WORKFORCE INVESTMENT.

Section 104(g) of the Federal Water Pollution Control Act (33 U.S.C. 1254(g)) is amended—

(1) in paragraph (1), by striking "manpower" each place it appears and inserting "workforce"; and

(2) by amending paragraph (4) to read as follows:

"(4) REPORT TO CONGRESS ON PUBLICLY OWNED TREATMENT WORKS WORKFORCE DEVELOPMENT.—Not later than 2 years after the date of enactment of the Water Quality Protection and Job Creation Act of 2021, the Administrator, in consultation with the Secretary of Labor, shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate a report containing—

"(A) an assessment of the current and future workforce needs for publicly owned treatment works, including an estimate of the number of future positions needed for such treatment works and the technical skills and education needed for such positions;

"(B) a summary of actions taken by the Administrator, including Federal investments under this chapter, that promote workforce development to address such needs; and

"(C) any recommendations of the Administrator to address such needs.".

SEC. 3. TECHNICAL ASSISTANCE TO RURAL, SMALL, AND TRIBAL MUNICIPALITIES.

(a) REAUTHORIZATION.—Section 104(u) of the Federal Water Pollution Control Act (33 U.S.C. 1254(u)) is amended—

(1) by striking "and (7)" and inserting "(7)";

(2) by striking "2023" and inserting "2021"; and

(3) by inserting "; and (8) not to exceed $100,000,000 for each of fiscal years 2022 through 2026 for carrying out subsections (b)(3), (b)(8), and (g), except that not less than half of the amounts so appropriated to carry out such subsections in each such fiscal year shall be used for carrying out subsection (b)(8)" before the period at the end.

(b) COMMUNICATION.—A nonprofit organization receiving a grant under section 104(b)(8) of the Federal Water Pollution Control Act (33 U.S.C. 1254(b)(8)) shall, prior to carrying out an activity using such grant funds, consult with the State in which such activity is to be carried out.

(c) REPORT.—Not later than 2 years after the date of enactment of this Act, the Administrator of the Environmental Protection Agency shall submit to Congress a report that describes the implementation of the grants made under subsections (b)(3), (b)(8), and (g) of section 104 of the Federal Water Pollution Control Act (33 U.S.C. 1254) during the 2 fiscal years preceding the date of the report, including a description of the recipients and amounts of such grants.

SEC. 4. STATE MANAGEMENT ASSISTANCE.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 106(a) of the Federal Water Pollution Control Act (33 U.S.C. 1256(a)) is amended—

(1) by striking "and" at the end of paragraph (1); and

(2) by inserting after paragraph (2) the following:

"(3) such sums as may be necessary for each of fiscal years 1991 through 2021; and

"(4) $500,000,000 for each of fiscal years 2022 through 2026;".

(b) TECHNICAL AMENDMENT.—Section 106(e) of the Federal Water Pollution Control Act (33 U.S.C. 1256(e)) is amended by striking "Beginning in fiscal year 1974 the" and inserting "The".

SEC. 5. WATERSHED, WET WEATHER, AND RESILIENCY PROJECTS.

(a) INCREASED RESILIENCE OF TREATMENT WORKS.—Section 122(a)(6) of the Federal Water Pollution Control Act (33 U.S.C. 1274(a)(6)) is amended to read as follows:

"(6) INCREASED RESILIENCE OF TREATMENT WORKS.—Efforts—

"(A) to assess future risks and vulnerabilities of publicly owned treatment works to manmade or natural disasters, including extreme weather events, drought, and sea level rise; and

"(B) to carry out the planning, design, or construction of projects, on a systemwide or areawide basis, to increase the resilience of publicly owned treatment works through—

"(i) the conservation of water or the enhancement of water use efficiency;

"(ii) the enhancement of wastewater (including stormwater) management by increasing watershed preservation and protection, including through—

"(I) the use of green infrastructure; or

"(II) the reclamation and reuse of wastewater (including stormwater), such as through aquifer recharge zones;

"(iii) the modification or relocation of an existing publicly owned treatment works at risk of being significantly impaired or damaged by a manmade or natural disaster;

"(iv) the enhancement of energy efficiency, or the use or generation of recovered or renewable energy, in the management, treatment, or conveyance of wastewater (including stormwater); or

"(v) other activities that the Administrator determines will address identified vulnerabilities to manmade or natural disasters, including activities to address cybersecurity vulnerabilities of publicly owned treatment works.".

(b) REQUIREMENTS; AUTHORIZATION OF APPROPRIATIONS.—Section 122 of the Federal Water Pollution Control Act (33 U.S.C. 1274) is amended by striking subsection (c) and inserting the following:

"(c) REQUIREMENTS.—The requirements of section 608 shall apply to any construction, alteration, maintenance, or repair of treatment works carried out using a grant under this section.

"(d) ASSISTANCE.—The Administrator shall use not less than 15 percent of the amounts appropriated pursuant to this section in a fiscal year to provide assistance to municipalities with a population of less than 10,000, or for economically disadvantaged communities (as defined in section 20 of the Water Quality Protection and Job Creation Act of 2021), to the extent there are sufficient eligible applications.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $200,000,000 for each of fiscal years 2022 through 2026.".

(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) WATERSHED PILOT PROJECTS.—Section 122 of the Federal Water Pollution Control Act (33 U.S.C. 1274) is amended—

(A) in the section heading, by striking "**WATERSHED PILOT PROJECTS**" and inserting "**WATERSHED, WET WEATHER, AND RESILIENCY PROJECTS**"; and

(B) by striking "pilot" each place it appears.

(2) WATER POLLUTION CONTROL REVOLVING LOAN FUNDS.—Section 603(c)(7) of the Federal Water Pollution Control Act (33 U.S.C. 1383(c)(7)) is amended by striking "watershed".

SEC. 6. WAIVER OF MATCHING REQUIREMENT FOR GRANTS TO DISTRICT OF COLUMBIA.

Section 202(a) of the Federal Water Pollution Control Act (33 U.S.C. 1282(a)) is amended by adding at the end the following:

"(5) Notwithstanding any other provision of this subsection, in the case of a project for a treatment works in the District of Columbia, such a project shall be eligible for grants at 100 percent of the cost of construction thereof.".

SEC. 7. PILOT PROGRAM FOR ALTERNATIVE WATER SOURCE PROJECTS.

(a) SELECTION OF PROJECTS.—Section 220(d) of the Federal Water Pollution Control Act (33 U.S.C. 1300(d)) is amended—

(1) by amending paragraph (1) to read as follows:

"(1) LIMITATION ON ELIGIBILITY.—A project that has received construction funds under the Reclamation Projects Authorization and Adjustment Act of 1992 shall not be eligible for grant assistance under this section."; and

(2) by striking paragraph (2) and redesignating paragraph (3) as paragraph (2).

(b) COMMITTEE RESOLUTION PROCEDURE; ASSISTANCE.—Section 220 of the Federal Water Pollution Control Act (33 U.S.C. 1300) is amended by striking subsection (e) and inserting the following:

"(e) ASSISTANCE.—The Administrator shall use not less than 15 percent of the amounts appropriated pursuant to this section in a fiscal year to provide assistance to eligible entities for projects designed to serve fewer than 10,000 individuals, to the extent there are sufficient eligible applications.".

(c) REQUIREMENTS.—Section 220 of the Federal Water Pollution Control Act (33 U.S.C. 1300) is amended by redesignating subsections (i) and (j) as subsections (j) and (k), respectively, and inserting after subsection (h) the following:

"(i) REQUIREMENTS.—The requirements of section 608 shall apply to any construction of an alternative water source project carried out using assistance made available under this section.".

(d) DEFINITIONS.—Section 220(j)(1) of the Federal Water Pollution Control Act (as redesignated by subsection (c) of this section) is amended by striking "or by treating wastewater" and inserting "(including stormwater), or by treating wastewater (including stormwater) for groundwater recharge, potable reuse, or other purposes".

(e) AUTHORIZATION OF APPROPRIATIONS.—Section 220(k) of the Federal Water Pollution Control Act (as redesignated by subsection (c) of this section) is amended by striking "a total of $75,000,000 for fiscal years 2002 through 2004" and inserting "$200,000,000 for each of fiscal years 2022 through 2026".

SEC. 8. SEWER OVERFLOW AND STORMWATER REUSE MUNICIPAL GRANTS.

Section 221 of the Federal Water Pollution Control Act (33 U.S.C. 1301) is amended—

(1) in subsection (c), by striking "subsection (b)," each place it appears and inserting "this section,";

(2) in subsection (d)—

(A) by striking "The Federal share" and inserting the following:

"(1) FEDERAL SHARE.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the Federal share"; and

(B) by striking "The non-Federal share" and inserting the following:

"(B) FINANCIALLY DISTRESSED COMMUNITIES.—The Federal share of the cost of activities carried out using amounts from a grant made to a financially distressed community under subsection (a) shall be not less than 75 percent of the cost.

"(2) NON-FEDERAL SHARE.—The non-Federal share";

(3) in subsection (e), by striking "section 513" and inserting "section 513, or the requirements of section 608,"; and

(4) in subsection (f)—

(A) in paragraph (1), by inserting ", and $400,000,000 for each of fiscal years 2022 through 2026" before the period at the end; and

(B) by adding at the end the following:

"(3) ASSISTANCE.—In carrying out subsection (a), the Administrator shall ensure that, of the amounts granted to municipalities in a State, not less than 20 percent is granted to municipalities with a population of less than 20,000, to the extent there are sufficient eligible applications.".

SEC. 9. GRANTS FOR THE TREATMENT OF EMERGING CONTAMINANTS.

Title II of the Federal Water Pollution Control Act (33 U.S.C. 1281 et seq.) is amended by adding at the end the following:

"SEC. 222. EMERGING CONTAMINANTS.

"(a) IN GENERAL.—The Administrator shall award grants to owners of publicly owned treatment works to be used for the implementation of a pretreatment standard or effluent limitation developed pursuant to this Act for the introduction into a treatment works, or the discharge of, any pollutant that is a perfluoroalkyl or polyfluoroalkyl substance or any pollutant identified by the Administrator as a contaminant of emerging concern.

"(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $200,000,000 for each of fiscal years 2022 through 2026.".

SEC. 10. HOUSEHOLD WASTEWATER GRANT PROGRAM.

Title II of the Federal Water Pollution Control Act (33 U.S.C. 1281 et seq.) is further amended by adding at the end the following:

"SEC. 223. HOUSEHOLD WASTEWATER GRANT PROGRAM.

"(a) ESTABLISHMENT.—The Administrator shall establish a program to provide grants to municipalities or qualified nonprofit entities to provide assistance to eligible individuals—

"(1) for the construction, repair, or replacement of an individual household decentralized wastewater treatment system;

"(2) for the construction of a decentralized wastewater treatment system designed to provide wastewater treatment for 2 or more households in which eligible individuals reside, if—

"(A) such a decentralized wastewater treatment system could be cost-effectively constructed; and

"(B) site conditions at such households are unsuitable for the construction of an individual household decentralized wastewater treatment system; or

"(3) in a case in which an eligible individual resides in a household that could be cost-effectively connected to an available publicly owned treatment works, for the connection of the applicable household to such treatment works.

"(b) APPLICATION.—To be eligible to receive a grant under this subsection, a municipality or qualified nonprofit entity shall submit to the Administrator an application at such time, in such manner, and containing such information as the Administrator determines to be appropriate.

"(c) PRIORITY.—In providing grants under this section, the Administrator shall, to the maximum extent practicable, prioritize applications for activities that will assist eligible individuals residing in households that are not connected to a system or technology designed to treat domestic sewage, including eligible individuals using household cesspools.

"(d) ADMINISTRATIVE EXPENSES.—

"(1) IN GENERAL.—Of the amounts made available under subsection (h), the Administrator may use not more than 2 percent for administrative costs.

"(2) INDIVIDUAL GRANTS.—A municipality or qualified nonprofit entity may use grant funds provided under this section to pay the administrative expenses associated with the provision of the assistance to eligible individuals under this section, as the Administrator determines to be appropriate.

"(e) REPORT.—Not later than 2 years after the date of enactment of this section, the Administrator shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report describing the recipients of grants and assistance under this section and the results of the program established under this section.

"(f) APPLICATION OF OTHER REQUIREMENTS.—The requirements of sections 513 and 608 shall apply to any project for the construction, repair, or replacement of a decentralized wastewater treatment system, or for the connection of a household to a treatment works, for which assistance is received under this section.

"(g) DEFINITIONS.—In this section:

"(1) ELIGIBLE INDIVIDUAL.—The term 'eligible individual' has the meaning given that term in section 603(j).

"(2) QUALIFIED NONPROFIT ENTITY.—The term 'qualified nonprofit entity' means an entity determined by the Administrator to be a qualified nonprofit entity for purposes of section 603(c)(12).

"(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Administrator to carry out this section $50,000,000 for each of fiscal years 2022 through 2026.".

SEC. 11. SMART WASTEWATER INFRASTRUCTURE TECHNOLOGY GRANT PROGRAM.

Title II of the Federal Water Pollution Control Act (33 U.S.C. 1281 et seq.) is further amended by adding at the end the following:

"SEC. 224. SMART WASTEWATER INFRASTRUCTURE TECHNOLOGY GRANT PROGRAM.

"(a) GRANTS.—The Administrator shall establish a program to provide grants to municipalities for projects for the planning, design, and construction, at publicly owned treatment works, of—

"(1) intelligent sewage or stormwater collection systems, including such collection systems that incorporate technologies that rely on—

"(A) real-time monitoring (including through sensors), embedded intelligence, and predictive maintenance capabilities that improve the energy efficiency, reliability, and resiliency of treatment works; and

"(B) the use of artificial intelligence and other intelligent optimization tools that reduce operational costs, including operational costs relating to energy consumption and chemical treatment; or

"(2) innovative and alternative combined storm and sanitary sewer projects, including groundwater recharge, that rely on real-time data acquisition to support predictive aquifer recharge through water reuse and stormwater management capabilities.

"(b) ASSISTANCE.—The Administrator shall use not less than 20 percent of the amounts appropriated pursuant to this section in a fiscal year to provide assistance to municipalities with a population of less than 10,000, to the extent there are sufficient eligible applications.

"(c) COST SHARE.—

"(1) IN GENERAL.—The non-Federal share of the costs of an activity carried out using a grant under this section shall be 25 percent.

"(2) EXCEPTION.—The Administrator may waive the cost-sharing requirement of paragraph (1) if the Administrator determines that the municipality meets the affordability criteria established under section 603(i)(2) by the State in which the municipality is located.

"(d) PROGRAM IMPLEMENTATION.—

"(1) GUIDANCE.—Not later than 30 days after the date of enactment of this section, the Administrator shall issue guidance to municipalities on how to apply for a grant under this section.

"(2) DECISION ON APPLICATIONS.—Not later than 30 days after the date on which the Administrator receives an application for a grant under this section, the Administrator shall determine whether to provide such grant.

"(3) APPLICATION DEFICIENCY.—If the Administrator determines that an application for a grant under this section is incomplete, the Administrator shall notify the applicant and provide the applicant the opportunity to resubmit the application.

"(4) CONSIDERATION.—In determining whether to provide a grant under this section, the Administrator shall consider the potential positive effects of the project on water quality.

"(e) COMPLIANCE WITH BUY AMERICA.—The requirements of section 608 shall apply to any project for construction for which assistance is received under this section.

"(f) REPORT TO CONGRESS.—Not later than 180 days after the date of enactment of this section, and annually thereafter, the Administrator shall submit to Congress a report describing projects funded under this section, any related improvement of the resiliency of publicly owned treatment works, and recommendations to improve the grant program established under this section.

"(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $500,000,000 to carry out this section, to remain available until expended.".

SEC. 12. REPORTS TO CONGRESS.

(a) BIENNIAL ESTIMATES.—Section 516(b)(1) of the Federal Water Pollution Control Act (33 U.S.C. 1375(b)(1)) is amended by striking "(B) a detailed estimate, biennially revised, of the cost of construction of all needed publicly owned treatment works in all of the States and of the cost of construction of all needed publicly owned treatment works in each of the States;" and inserting "(B) a detailed estimate, biennially revised, of the cost of construction of all planned publicly owned treatment works in all of the States and all needed publicly owned treatment works in all of the States, and the cost of construction of all planned publicly owned treatment works in each of the States and all needed publicly owned treatment works in each of the States, which estimates shall include (i) the cost of construction to rehabilitate or upgrade all existing publicly owned treatment works (excluding any pipe or other device or system for the conveyance of wastewater), every 20 years, including the costs to implement measures necessary to address the resilience and sustainability of publicly owned treatment works to manmade or natural disasters, and (ii) the cost of construction to replace 10 percent of existing publicly owned pipes and other devices and systems for the conveyance of wastewater to such treatment works over the 20-year period following the date of the estimate;".

(b) ANNUAL REPORT ON USE OF FUNDS.—Section 516 of the Federal Water Pollution Control Act (33 U.S.C. 1375) is amended by adding at the end the following:

"(f) ANNUAL REPORT ON USE OF FUNDS.—Not later than 18 months after the date of enactment of this subsection, and annually thereafter, the Administrator shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate a report that—

"(1) identifies projects that are—

"(A) described in clause (i) or (ii) of section 602(b)(15)(A); and

"(B) carried out using funds made available under or pursuant to section 221 or title VI; and

"(2) identifies, to the extent practicable, the costs and benefits of such projects, including any potential short- and long-term cost savings to publicly owned treatment works and any environmental and community benefits of implementing such projects.".

SEC. 13. INDIAN TRIBES.

(a) IN GENERAL.—Section 518(c) of the Federal Water Pollution Control Act (33 U.S.C. 1377(c)) is amended—

(1) by striking paragraphs (1) and (2) and inserting the following:

"(1) IN GENERAL.—For each fiscal year, the Administrator shall reserve, of the funds made available to carry out title VI (before allotments to the States under section 604(a)), the greater of—

"(A) 2 percent of such funds; or

"(B) $30,000,000.

"(2) USE OF FUNDS.—

"(A) GRANTS.—Funds reserved under this subsection shall be available only for grants to entities described in paragraph (3) for—

"(i) projects and activities eligible for assistance under section 603(c); and

"(ii) training, technical assistance, and educational programs relating to the operation and management of treatment works eligible for assistance pursuant to section 603(c).

"(B) LIMITATION.—Not more than $2,000,000 of such reserved funds may be used for grants under subparagraph (A)(ii).''; and

(2) in paragraph (3)—

(A) in the header, by striking "USE OF FUNDS" and inserting "ELIGIBLE ENTITIES"; and

(B) by striking "for projects and activities eligible for assistance under section 603(c) to serve" and inserting "to".

(b) ADDITIONAL ASSISTANCE.—

(1) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts otherwise made available under title VI of the Federal Water Pollution Control Act (33 U.S.C. 1381 et seq.), there is authorized to be appropriated $500,000,000 for each of fiscal years 2022 through 2026 to make grants, in cooperation with the Director of the Indian Health Service, to entities described in section 518(c)(3) of the Federal Water Pollution Control Act (33 U.S.C. 1377) for—

(A) projects and activities eligible for assistance under section 603(c) of such Act (33 U.S.C. 1383); and

(B) training, technical assistance, and educational programs related to the operation and management of treatment works eligible for assistance pursuant to such section 603(c).

(2) NO MATCHING REQUIREMENT.—The Administrator may not require an entity receiving a grant under paragraph (1) to provide, as a condition of receiving such grant, a share of the cost of the project or activity for which such grant was made.

(3) LIMITATION.—Not more than $2,000,000 of amounts made available in a fiscal year to carry out this subsection may be used for grants under paragraph (1)(B).

(4) APPLICATION OF OTHER REQUIREMENTS.—The requirements of sections 513 and 608 of the Federal Water Pollution Control Act (33 U.S.C. 1372, 1388) shall apply to any project for the construction, alteration, maintenance, or repair of treatment works for which a grant is received under paragraph (1).

SEC. 14. CAPITALIZATION GRANTS.

(a) SPECIFIC REQUIREMENTS.—Section 602(b) of the Federal Water Pollution Control Act (33 U.S.C. 1382(b)) is amended—

(1) in paragraph (13)(B)—

(A) in the matter preceding clause (i), by striking "and energy conservation" and inserting "and efficient energy use (including through the implementation of technologies to recover and reuse energy produced in the treatment of wastewater)"; and

(B) in clause (iii), by striking "; and" and inserting a semicolon;

(2) in paragraph (14), by striking the period at the end and inserting "; and" ; and

(3) by adding at the end the following:

"(15) to the extent there are sufficient projects or activities eligible for assistance from the fund, with respect to funds for capitalization grants received by the State under this title and section 205(m)—

"(A) the State will use—

"(i) not less than 15 percent of such funds for green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities; and

"(ii) not less than 5 percent of such funds for projects to increase the resiliency of treatment works to extreme weather events, drought, sea level rise, or other impacts of climate change; and

"(B) the State will use not less than a total of 20 percent of such funds for projects described in subparagraph (A).".

(b) CORROSION CONTROL.—Section 602 of the Federal Water Pollution Control Act (33 U.S.C. 1382) is amended by adding at the end the following:

"(c) CORROSION CONTROL.—

"(1) IN GENERAL.—To the greatest extent practicable, the Administrator shall encourage the incorporation of corrosion prevention activities in projects and activities carried out using financial assistance provided under or pursuant to this title.

"(2) ACTIVITIES.—In carrying out paragraph (1), the Administrator, to the greatest extent practicable, shall ensure that any recipient of financial assistance under or pursuant to this title—

"(A) carries out any project or activity using such assistance using, as applicable—

"(i) best practices to carry out corrosion prevention activities in the field;

"(ii) industry-recognized standards and corrosion mitigation and prevention methods when—

"(I) determining protective coatings;

"(II) selecting materials; and

"(III) determining methods of cathodic protection, design, and engineering for corrosion prevention;

"(iii) certified coating application specialists and cathodic protection technicians and engineers; and

"(iv) best practices in environmental protection to prevent environmental degradation and to ensure proper handling of all hazardous materials; and

"(B) demonstrates, as applicable—

"(i) a history of employing industry-certified inspectors to ensure adherence to best practices and standards; and

"(ii) a history of compliance with applicable requirements of the Occupational Safety and Health Administration.

"(3) CORROSION PREVENTION ACTIVITIES DEFINED.—In this subsection, the term 'corrosion prevention activities' means—

"(A) the application and inspection of protective coatings for complex work involving steel and cementitious structures, including structures that will be exposed in immersion;

"(B) the installation, testing, and inspection of cathodic protection systems; and

"(C) any other activities related to corrosion prevention the Administrator determines appropriate.".

SEC. 15. WATER POLLUTION CONTROL REVOLVING LOAN FUNDS.

Section 603 of the Federal Water Pollution Control Act (33 U.S.C. 1383) is amended—

(1) in subsection (c)(10), by inserting ", including measures to identify and address cybersecurity vulnerabilities of such treatment works" before the semicolon; and

(2) in subsection (i)—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by striking ", including forgiveness of principal and negative interest loans" and inserting "(including in the form of forgiveness of principal, negative interest loans, or grants)"; and

(ii) in subparagraph (A)—

(I) in the matter preceding clause (i), by striking "in assistance"; and

(II) in clause (ii)(III), by striking "to such ratepayers" and inserting "to help such ratepayers maintain access to wastewater (including stormwater) treatment services"; and

(B) by amending paragraph (3) to read as follows:

"(3) SUBSIDIZATION AMOUNTS.—

"(A) IN GENERAL.—A State may use for providing additional subsidization in a fiscal year under this subsection an amount that does not exceed the greater of—

"(i) 50 percent of the total amount received by the State in capitalization grants under this title for the fiscal year; or

"(ii) the annual average over the previous 10 fiscal years of the amounts deposited by the State in the State water pollution control revolving fund from State moneys that exceed the amounts required to be so deposited under section 602(b)(2).

"(B) MINIMUM.—To the extent there are sufficient applications for additional subsidization under this subsection that meet the criteria under paragraph (1)(A), a State shall use for providing additional subsidization in a fiscal year under this subsection an amount that is not less than 20 percent of the total amount received by the State in capitalization grants under this title for the fiscal year.".

SEC. 16. ALLOTMENT OF FUNDS.

(a) FORMULA.—Section 604(a) of the Federal Water Pollution Control Act (33 U.S.C. 1384(a)) is amended by striking "each of fiscal years 1989 and 1990" and inserting "each fiscal year".

(b) WASTEWATER INFRASTRUCTURE WORKFORCE DEVELOPMENT.—Section 604 of the Federal Water Pollution Control Act (33 U.S.C. 1384) is amended by adding at the end the following:

"(d) WASTEWATER INFRASTRUCTURE WORKFORCE DEVELOPMENT.—Each fiscal year, a State may reserve up to 1 percent of the sums allotted to the State under this section for the fiscal year to carry out workforce development, training, and retraining activities described in section 104(g).".

(c) NEEDS SURVEY.—Section 604 of the Federal Water Pollution Control Act (33 U.S.C. 1384) is further amended by adding at the end the following:

"(e) NEEDS SURVEY.—Each fiscal year, a State may reserve up to 0.5 percent of the sums allotted to the State under this section for the fiscal year to carry out activities under section 516(b)(1)(B).".

(d) FUNDS ALLOTTED TO PUERTO RICO.—Section 604 of the Federal Water Pollution Control Act (33 U.S.C. 1384) is further amended by adding at the end the following:

"(f) FUNDS ALLOTTED TO PUERTO RICO.—Notwithstanding any other provision of law, no funds allotted to the Commonwealth of Puerto Rico under this section may be counted as income or an asset of the owner or operator of a publicly owned treatment works receiving such funds, or be used, set aside, or otherwise made available for the purposes of payment of debt restructuring under the Puerto Rico Oversight, Management, and Economic Stability Act (48 U.S.C. 2101 et seq.) by the Puerto Rico Financial Oversight and Management Board.".

SEC. 17. RESERVATION OF FUNDS FOR TERRITORIES OF THE UNITED STATES.

Title VI of the Federal Water Pollution Control Act (33 U.S.C. 1381 et seq.) is amended by striking section 607 and inserting the following:

"SEC. 607. RESERVATION OF FUNDS FOR TERRITORIES OF THE UNITED STATES.

"(a) IN GENERAL.—

"(1) RESERVATION.—For each fiscal year, the Administrator shall reserve 1.5 percent of available funds, as determined under paragraph (2).

"(2) AVAILABLE FUNDS.—For purposes of paragraph (1), the amount of available funds for a fiscal year is—

"(A) the amount of funds made available to carry out this title for the fiscal year (before allotments to the States under section 604(a)); less

"(B) the amount of any funds reserved under section 518(c) for the fiscal year.

"(b) USE OF FUNDS.—Funds reserved under this section shall be available only for grants to American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, and the Virgin Islands for projects and activities eligible for assistance under section 603(c).

"(c) LIMITATION.—American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, and the Virgin Islands may not receive funds allotted under section 604(a).".

SEC. 18. AUTHORIZATION OF APPROPRIATIONS.

Title VI of the Federal Water Pollution Control Act (33 U.S.C. 1381 et seq.) is amended by adding at the end the following:

"SEC. 609. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this title the following sums:
"(1) $8,000,000,000 for fiscal year 2022.
"(2) $8,000,000,000 for fiscal year 2023.
"(3) $8,000,000,000 for fiscal year 2024.
"(4) $8,000,000,000 for fiscal year 2025.
"(5) $8,000,000,000 for fiscal year 2026.".

SEC. 19. TECHNICAL ASSISTANCE BY MUNICIPAL OMBUDSMAN.

Section 4(b)(1) of the Water Infrastructure Improvement Act (42 U.S.C. 4370j(b)(1)) is amended to read as follows:

"(1) technical and planning assistance to support municipalities, including municipalities that are rural, small, economically disadvantaged, or Tribal communities, in achieving and maintaining compliance with enforceable deadlines, goals, and requirements of the Federal Water Pollution Control Act; and".

SEC. 20. REPORT ON WASTEWATER INFRASTRUCTURE FUNDING FOR RURAL, ECONOMICALLY DISADVANTAGED, AND TRIBAL COMMUNITIES.

(a) STUDY.—Not later than 90 days after the date of enactment of this Act, the Administrator of the Environmental Protection Agency shall initiate a study on the distribution of wastewater infrastructure funds to rural communities, economically disadvantaged communities, and Tribal communities during the 20 fiscal years preceding the date of enactment of this Act.

(b) REQUIREMENTS.—In carrying out the study under this section, the Administrator shall—

(1) consult with other Federal agencies, State, local, and Tribal governments, owners and operators of publicly owned treatment works, and stakeholder organizations, including organizations with experience in investigating or addressing the wastewater infrastructure needs of rural communities, economically disadvantaged communities, and Tribal communities;

(2) undertake at least one public meeting in a rural community, in an economically disadvantaged community, and in a Tribal community, to receive testimony from the public;

(3) examine whether the distribution of wastewater infrastructure funds during the period covered by the study has been in accordance with any applicable executive order or policy regarding environmental justice;

(4) examine how wastewater infrastructure funds have been distributed with respect to the identified needs of rural communities, economically disadvantaged communities, and Tribal communities, and whether such funds have addressed the needs of such communities equitably when compared to how such funds have been distributed with respect to the identified needs of communities that are not rural, economically disadvantaged, or Tribal; and

(5) consider any additional factors that the Administrator determines necessary or appropriate to determine whether rural communities, economically disadvantaged communities, and Tribal communities have equitable access to wastewater infrastructure funds to comply with applicable requirements of the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.).

(c) REPORT TO CONGRESS.—Not later than 2 years after the date of enactment of this Act, the Administrator shall submit to Congress a report describing—

(1) the results of the study carried out under this section; and

(2) any recommendations to Congress, or to State, local, and Tribal governments, to ensure that rural communities, economically disadvantaged communities, and Tribal communities can equitably access wastewater infrastructure funds in amounts sufficient to address local wastewater infrastructure needs and local water quality challenges.

(d) DEFINITIONS.—In this section:

(1) ECONOMICALLY DISADVANTAGED COMMUNITY.—The term "economically disadvantaged community" means—

(A) a municipality that meets the affordability criteria of a State established under section 603(i)(2) of the Federal Water Pollution Control Act (33 U.S.C. 1383(i)(2));

(B) a community with respect to which a municipality can demonstrate that households in the community experience significant economic hardship related to wastewater infrastructure; or

(C) a community that is located in an area that meets the criteria described in paragraph (1) or (2) of section 301(a) of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3161(a)).

(2) MUNICIPALITY; TREATMENT WORKS.—The terms "municipality" and "treatment works" have the meanings given those terms in section 502 of the Federal Water Pollution Control Act (33 U.S.C. 1362).

(3) WASTEWATER INFRASTRUCTURE FUNDS.—The term "wastewater infrastructure funds" means funds made available for projects or activities under or pursuant to—

(A) title VI of the Federal Water Pollution Control Act (33 U.S.C. 1381 et seq.);

(B) section 122 of the Federal Water Pollution Control Act (33 U.S.C. 1274);

(C) section 220 of the Federal Water Pollution Control Act (33 U.S.C. 1300); and

(D) section 221 of the Federal Water Pollution Control Act (33 U.S.C. 1301).

SEC. 21. WATER REUSE INTERAGENCY WORKING GROUP.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Administrator shall establish a Water Reuse Interagency Working Group to develop and coordinate actions, tools, and resources to encourage water reuse across the United States, including through the implementation of the National Water Reuse Action Plan, consistent with the mission of each Federal agency that is a member of the working group.

(b) CHAIRPERSON; MEMBERSHIP.—The working group shall be—

(1) chaired by the Administrator; and

(2) comprised of senior representatives from any Federal agency the Administrator determines to be appropriate.

(c) DUTIES OF THE WORKING GROUP.—The working group shall—

(1) annually review the National Water Reuse Action Plan and, as necessary, update such plan;

(2) encourage the consideration of water reuse as part of integrated water resources management and planning;

(3) conduct, and submit to Congress and make public, an assessment of opportunities to encourage water reuse and actions necessary to pursue such opportunities;

(4) seek to coordinate Federal programs and policies to encourage water reuse;

(5) consider how each Federal agency that is a member of the working group can explore and identify opportunities to encourage water reuse through the programs and activities of each such Federal agency; and

(6) consult, on a regular basis, with representatives of the water reuse industry, research community, and nongovernmental organizations.

(d) REPORT.—Not less frequently than once every 2 years, the Administrator shall submit to Congress a report on the activities and findings of the working group.

(e) SUNSET.—The working group shall terminate on the date that is 6 years after the date of enactment of this Act.

(f) DEFINITIONS.—In this section:

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of the Environmental Protection Agency.

(2) NATIONAL WATER REUSE ACTION PLAN.—The term "National Water Reuse Action Plan" means the document published by the Administrator entitled "National Water Reuse Action Plan: Collaborative Implementation (Version 1)", dated February 2020, and noticed in the Federal Register on March 3, 2020 (85 Fed. Reg. 12552), as updated pursuant to this section.

(3) WORKING GROUP.—The term "working group" means the Water Reuse Interagency Working Group established under this section.

PURPOSE OF LEGISLATION

The purpose of H.R. 1915, the *Water Quality Protection and Job Creation Act of 2021*, as amended, is to restore and maintain the chemical, physical, and biological integrity of the nation's waters by reauthorizing federal appropriations for capitalization grants to state water pollution control revolving funds and other clean water pollution control grant programs to address the discharge of pollution into jurisdictional waters.

BACKGROUND AND NEED FOR LEGISLATION

The Committee on Transportation and Infrastructure Subcommittee on Water Resources and Environment has jurisdiction over water quality and wastewater infrastructure programs administered by the U.S. Environmental Protection Agency (EPA) under the *Federal Water Pollution Control Act*, more commonly known as the *Clean Water Act* (or *Act*).

The Importance of Investment in Wastewater Infrastructure

To a great extent, improvements in water quality since the passage of the *Clean Water Act* in 1972 have resulted from a significant investment in municipal wastewater infrastructure improvements throughout the nation. According to the Congressional Research Service, since 1972, the federal government has provided more than $100 billion of financial assistance for wastewater infrastructure and other support to achieve compliance with the *Clean Water Act*, which has dramatically improved water quality and the health of the economy and the environment.[1] However, according to the Congressional Budget Office, federal investment in municipal wastewater infrastructure, as a percentage of the total amount invested from all public sources (including state and local funds) has been declining, and now accounts for less than one-quarter of the total capital investment in municipal wastewater infrastructure.[2] Today, the nationwide system of municipal wastewater infrastructure includes 16,000 publicly owned wastewater treatment facilities, 100,000 major pumping stations, 600,000 miles of sanitary sewers, and 200,000 miles of storm sewers.[3]

Investment in wastewater infrastructure has provided significant environmental, public health, and economic benefits to the nation. First, through the federal construction grants program (Title II of the *Act*), and now the Clean Water State Revolving Fund (Clean Water SRF) program (Title VI of the *Act*), the investment in wastewater infrastructure has been integral to improving the quality of the nation's waters. The improvements to water quality realized through federal, state, and local investment in municipal wastewater infrastructure have been significant, helping to increase the number of fishable and swimmable waters throughout the nation.

As a result of the dramatic improvements in municipal wastewater infrastructure, waste loadings in municipal effluent discharges have decreased by one-half since the 1970s, despite the fact that the amount of generated municipal wastewaters grew by more than one-third during the same time period due to population growth and an expanded economy. The nation's farmers, fishermen, manufacturers, and recreational industries rely on clean water. The outdoor recreation economy alone generates $887 billion annu-

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[1] See Ramseur, Jonathan L., "Funding for EPA Water Infrastructure: A Fact Sheet (R43871)", Congressional Research Service, March 2019; and Humphreys, Elena and Ramseur, Jonathan L., "U.S. Environmental Protection Agency (EPA) Water Infrastructure Programs and FY2021 Appropriations (IF11724)", Congressional Research Service, January 2021.

[2] See "Public Spending on Transportation and Water Infrastructure, 1956 to 2014", Congressional Budget Office, March 2015. See also, "Public Spending on Transportation and Water Infrastructure, 1956 to 2017," Congressional Budget Office, October 2018.

[3] U.S. EPA., "Primer for Municipal Wastewater Treatment Systems" (EPA–832–R–04–001), September 2004.

ally.[4] Further, people spend approximately $70 billion per year on recreational boating and fishing.[5]

Clean Water Infrastructure Needs

America's wastewater infrastructure needs further financial investment. According to the American Society of Civil Engineers 2021 Infrastructure Report Card, America's wastewater treatment infrastructure receives a grade of D+, and its stormwater infrastructure receives a grade of D.[6]

According to EPA's most recent clean water needs survey, communities have documented at least $271 billion of investment needed over the next 20 years to bring their systems to a state of good repair; yet, as this assessment is almost a decade old, the current need may be higher.[7] Given the current level of federal investment to address these needs, states and cities are covering more than 95 percent of the total cost of water infrastructure (including capital and operations and maintenance costs).[8]

In addition, according to the Indian Health Service, Division of Sanitation Facilities Construction, the documented backlog of sanitation infrastructure deficiencies, including wastewater infrastructure, for tribal communities is approximately $2.5 billion.[9]

These statistics indicate a need for increased investment in our nation's water infrastructure at all levels of government and the benefits are numerous. Investing in clean water creates thousands of domestic jobs in the construction industry and reduces the overall costs of operating and maintaining that infrastructure. According to the National Utility Contractors Association, every $1 billion invested in our nation's water infrastructure can create or sustain nearly 28,000 jobs in communities across America, while improving public health and the environment at the same time.[10]

The economic and job creation benefits of increased federal investment in wastewater infrastructure were also highlighted in testimony before the Subcommittee on Water Resources and Environment, including the testimony of Mr. David Mallino, Legislative Director of the Laborers' International Union of North America, who noted that:

> Wastewater infrastructure improvements also support healthy economies. Construction projects create good-paying jobs, and, where new facilities are built, workers are needed to operate and maintain them. Upgraded infra-

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[4] Outdoor Industry Association. (2017). *The Outdoor Recreation Economy*. Retrieved from https://outdoorindustry.org/wp-content/uploads/2017/04/OIA_RecEconomy_FINAL_Single.pdf.

[5] U.S. Environmental Protection Agency. (2012). The Importance of Water to the U.S. Economy, Part I: Background Report.

[6] See 2021 Infrastructure Report Card ASCE. Retrieved from https://infrastructurereportcard.org/.

[7] U.S. Environmental Protection Agency. (2016). *Clean Watersheds Needs Survey 2012*. Report to Congress. (EPA–830–R–15005). Retrieved from https://www.epa.gov/sites/production/files/2015-12/documents/cwns_2012_report_to_congress-508-opt.pdf.

[8] Kane, Joseph W. (2016). *Investing in Water: Comparing Utility Finances and Economic Concerns across U.S. Cities*. Retrieved from https://www.brookings.edu/research/investing-in-water-comparing-utility-finances-and-economic-concerns-across-u-s-cities/.

[9] Indian Health Service, Office of Environmental Health and Engineering, Division of Sanitation Facilities Construction. *Annual Report to the Congress of the United States on Sanitation Deficiency Levels for Indian Homes and Communities Fiscal Year 2018*. Retrieved from https://www.ihs.gov/sites/newsroom/themes/responsive2017/display_objects/documents/Report_To_Congress_FY18_SanitationFacilitiesDeficiencies.pdf.

[10] See Testimony Submitted for the Record by the National Utility Contractors Association (NUCA), hearing on "Building Back Better: The Urgent Need for Infrastructure Investment in America's Wastewater Infrastructure", February 23, 2021.

structure results in cleaner water, which is essential for many businesses and sectors of the economy.[11]

Similarly, as noted in the testimony of Tom Teske, Vice President and General Manager of EJ Americas, existing *Clean Water Act* provisions,[12] which maximize the use of American-made iron and steel, ensure that federal investments promote job creation and preservation in the United States.[13] In addition, water infrastructure helps prevent contamination of our nation's waters that are relied upon by the recreational industry. Fishing and water sports generate more than 1.52 million jobs.[14]

Clean Water Act Affordability

Communities and governments at all levels face growing challenges in effectively managing the water resources necessary to support growing and shifting populations, thriving residential, commercial, industrial, and agricultural sectors, and healthy and productive natural environments. Many local governments also face complex affordability challenges—with some communities facing shrinking rate bases, while others with growing populations having increasing segments of their rate base that are unable to afford the rising costs of clean water thereby disproportionately impacting the poorest economic segments of many communities. Nationwide, wastewater utilities and municipalities of all sizes are seeking to provide clean, safe, accessible, and affordable water, along with addressing other challenges, such as responding to effects of extreme weather events, water quantity, and emerging water quality issues.

In 2017, the National Academy of Public Administration (NAPA) issued a report that examined the challenges local communities face in providing clean, safe, and affordable water and wastewater services.[15] This report concluded that the governmental responsibility to assure clean water that is also affordable to both communities and individuals has become an increasing challenge.[16]

Among other things, the report recognized that water infrastructure in the United States is aging, thereby imposing additional costs on communities to both upgrade and maintain deteriorating infrastructure from deferred maintenance.[17] In addition, the report recognized the costs to communities to come into compliance with the *Clean Water Act* as an additional factor and highlighted the importance of more cost-effective and innovative solutions, such as increased use of green-infrastructure approaches, stormwater recapture and reuse, and integrated planning, to address these chal-

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[11] See Testimony of the Mr. David Mallino, Legislative Director, Laborers' International Union of North America, before the Subcommittee on Water Resources and Environment, hearing on "Building Back Better: The Urgent Need for Infrastructure Investment in America's Wastewater Infrastructure", February 23, 2021.

[12] See 33 U.S.C. 1388.

[13] See Testimony of the Mr. Tom Teske, Vice President and General Manager, EJ Americas, before the Subcommittee on Water Resources and Environment, hearing on "Building Back Better: The Urgent Need for Infrastructure Investment in America's Wastewater Infrastructure", February 23, 2021.

[14] Outdoor Industry Association. (2017). *The Outdoor Recreation Economy*. Retrieved from https://outdoorindustry.org/wp-content/uploads/2017/04/OIA_RecEconomy_FINAL_Single.pdf.

[15] Panel of the National Academy of Public Administrators for the U.S. Environmental Protection Agency. (2017). *Developing a New Framework for Community Affordability of Clean Water Services*. Academy Project Number: 2210. Retrieved from https://www.napawash.org/uploads/Academy_Studies/NAPA_EPA_FINAL_REPORT_110117.pdf.

[16] Id.

[17] Id.

lenges.[18] Further, the report highlighted how affordability is an especially critical issue for low-income customers throughout the United States, noting that, while average annual expenditures for water are generally low relative to other utilities, they represent a higher share of income for those who earn the lowest 20 percent of income.[19]

This concern over wastewater infrastructure affordability was echoed in testimony before the Subcommittee on Water Resources and Environment through oversight hearings during the development of H.R. 1915.

For example, the Honorable Dave Berger, Mayor of Lima, Ohio (testifying on behalf of the United States Conference of Mayors), called on Congress to "raise existing federal funding commitments substantially, particularly in the form of grant funding, to support the modernization and expansion of our Nation's drinking water, wastewater treatment, stormwater, and flood protection systems." [20]

Similarly, the testimony of Mr. Oluwole McFoy, the General Manager of the Buffalo Sewer Authority (testifying on behalf of the National Association of Clean Water Agencies) highlighted how Buffalo's wastewater infrastructure has been deteriorating over time, ". . . with the work being done on it relegated to mostly maintenance, repairs, and necessary replacements. This has proven to be an unsustainable approach. The costs of this work are being borne by a segment of rate payers who cannot afford to pay it while at the same time the funding required for even this bare minimum approach is still growing, creating a situation where rate payers are being forced to pay more for less relative service." [21]

In addition, Ms. Brenda Coley, the Co-Director of the Milwaukee Water Commons, highlighted the financial challenges facing many American communities, especially those facing economic hardships in financing wastewater infrastructure investments. In her testimony, Ms. Coley noted:

> Because the vast majority of [Clean Water SRF] funds are provided to local communities as loans rather than grants, local water ratepayers ultimately bear the burden of repaying these loans. Raising rates to levels required to repay all of the funds necessary to address existing water infrastructure needs would render water rates unaffordable. Reluctant to raise water rates and without other funding options, utilities instead postpone making urgent water infrastructure repairs and upgrades . . . . however, continued failure to repair and enhance failing and outdated water infrastructure strains the public health of our communities as well as the environmental health of our waterways and ultimately leads to compounding problems resulting in even greater expense.

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[18] Id.

[19] Id.

[20] See Testimony of the Honorable Dave Berger, Mayor of Lima, on behalf of the United States Conference of Mayors, before the Subcommittee on Water Resources and Environment, hearing on "Building Back Better: The Urgent Need for Infrastructure Investment in America's Wastewater Infrastructure", February 23, 2021.

[21] See Testimony of the Mr. Oluwole McFoy, General Manager of the Buffalo Sewer Authority, on behalf of the National Association of Clean Water Agencies, before the Subcommittee on Water Resources and Environment, hearing on "Building Back Better: The Urgent Need for Infrastructure Investment in America's Wastewater Infrastructure", February 23, 2021.

> This is particularly true for vulnerable communities that typically face the most urgent infrastructure needs but have the least ability to bear their cost.[22]

Sustainable Wastewater Infrastructure

The magnitude of the nation's wastewater infrastructure needs also presents a major opportunity to upgrade, modernize, and increase the efficiency and sustainability of wastewater infrastructure, including the efficiency of the water- and energy-related components of wastewater treatment, the benefits of alternative approaches to traditional wastewater treatment technologies (e.g., natural, nature-based, and green infrastructure alternatives), and measures to increase the resiliency of our infrastructure to the observed impacts of climate change, such as extreme weather events, sea-level rise, and drought.

In April 2021, the Subcommittee on Water Resources and Environment held a hearing, titled, "Sustainable Wastewater Infrastructure: Measures to Promote Resiliency and Climate Adaptation and Mitigation." That hearing highlighted information on the policies and practices to encourage greater resiliency and sustainability of wastewater utilities in meeting the requirements of the *Clean Water Act*.

Water and Energy Efficiency

Energy use can account for as much as 10 percent of a local government's annual operating budget.[23] A significant amount of this municipal energy use occurs at water and wastewater treatment facilities. With pumps, motors, and other equipment operating 24 hours a day, seven days a week, water and wastewater facilities can be among the largest consumers of energy in a community—and thus among the largest contributors to the community's total greenhouse gas (GHG) emissions.[24]

Nationally, the energy used by water and wastewater utilities accounts for 35 percent of typical U.S. municipal energy budgets.[25] Electricity use accounts for 25 to 40 percent of the operating budgets for wastewater utilities and approximately 80 percent of drinking water processing and distribution costs.[26] Drinking water and wastewater systems account for approximately three to four percent of overall energy use in the United States, equivalent to approximately 56 billion kilowatts and a cost of $4 billion, and resulting in the emissions of more than 45 million tons of GHGs annually.[27]

According to the EPA, utilities can reduce the economic costs and environmental impacts of wastewater treatment by improving the energy efficiency of wastewater facilities' equipment and operations, by promoting the efficient use of water, and by capturing

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[22] See Testimony of the Ms. Brenda Coley, Co-Director of the Milwaukee Water Commons, before the Subcommittee on Water Resources and Environment, hearing on "Building Back Better: The Urgent Need for Infrastructure Investment in America's Wastewater Infrastructure", February 23, 2021.

[23] See U.S. EPA, "Energy Efficiency in Water and Wastewater Facilities: A Guide to Developing and Implementing Greenhouse Gas Reduction Programs'" (2013).

[24] See id.

[25] See id.

[26] See id.

[27] See id. See also, https://www.epa.gov/sustainable-water-infrastructure/water-and-energy-efficiency-utilities-and-home.

the energy in wastewater to generate electricity and heat.[28] Improvements in energy efficiency allow the same work to be done with less energy and cost. The EPA estimates that, by incorporating energy efficiency practices into their water and wastewater plants, municipalities and utilities can save 15 to 30 percent on their operating costs, saving thousands of dollars with payback periods (or the amount of time required to pay back the cost of the upgrade through potential cost savings resulting from the upgrade) of only a few months to a few years.[29] Improvements in water use efficiency reduce demand for water, which in turn reduces the amount of energy required to treat and distribute water.

Water and wastewater facilities around the country are also adopting renewable energy technologies, including combined heat and power, sludge digester methane use, solar panels installation, and wind turbines. Capturing the energy in wastewater by burning biogas from anaerobic digesters in a combined heat and power system allows wastewater facilities to produce some or all of their own electricity and space heating, potentially turning them into "net zero" consumers of energy.

Over the last four years, the Subcommittee has received testimony from several witnesses highlighting the potential of waste-energy recapture projects for increasing sustainability, reducing utility costs, and reducing GHG emissions. For example, in 2019, the Subcommittee heard testimony how the Camden County (New Jersey) Municipal Utilities Authority installed technology for generating all of the utility's electricity from the biosolids produced during sewage treatment, which allowed the Utility Authority to take its "treatment plant off the grid and then [build] a microgrid to protect the drinking water plant, hospitals, fire, school, and police, all through the [Clean Water] State Revolving Fund without raising rates."[30]

Similarly, the Subcommittee received testimony from Ms. Kisha Powell, Chief Operating Officer and Executive Vice President of DC Water, who described how the utility's Blue Plains Advanced Wastewater Treatment Plant was the first project in North America to use thermal hydrolysis—a sewage digestion/combined heat and power technology—and that the clean, green renewable energy created by this technology is enough to power one-third of the plant's energy needs while reducing the facility's carbon footprint by roughly one-third.[31]

Finally, the Subcommittee also received testimony from Mr. Robert Ferrante, Chief Engineer and General Manager of the Los Angeles County Sanitation Districts, who testified on a demonstration project underway at the Sanitation Districts to convert food wastes

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[28] See id. See also, https://www.energy.gov/eere/slsc/wastewater-infrastructure, which notes that, according to the U.S. Department of Energy, wastewater contains about five times more energy than is needed for its treatment in terms of untapped thermal energy, which can be captured and used to generate energy.

[29] https://www.epa.gov/sustainable-water-infrastructure/energy-efficiency-water-utilities.

[30] See Subcommittee on Water Resources and Environment, hearing on "The Clean Water State Revolving Fund: How Federal Infrastructure Investment Can Help Communities Modernize Water Infrastructure and Address Affordability Challenges", March 7, 2019, accessed at https://www.govinfo.gov/content/pkg/CHRG-116hhrg35383/pdf/CHRG-116hhrg35383.pdf.

[31] See Testimony of Ms. Kisha Powell, Chief Operating Officer and Executive Vice President, DC Water, before the Subcommittee on Water Resources and Environment, hearing on "Sustainable Wastewater Infrastructure: Measures to Promote Resiliency and Climate Adaptation and Mitigation," April 21, 2021.

generated in Los Angeles County into energy.[32] According to Mr. Ferrante's testimony, the food waste is converted to biogas which is used to run its treatment plant, making the utility virtually self-sufficient, as well as further refined into a renewable natural gas alternative that is sold to the public to fuel cars, buses, and trucks.[33]

Green Infrastructure Alternatives

EPA has also highlighted the importance of selecting the right solution to meet an identified wastewater need in its "Path to Sustainable Water Infrastructure," including the importance of evaluating different alternatives, such as new, smart technologies, an evaluation of centralized versus decentralized wastewater treatment systems, and the utilization of green infrastructure approaches to local water quality challenges.[34]

Section 502 of the *Clean Water Act* defines green infrastructure as ". . . the range of measures that use plant or soil systems, permeable pavement or other permeable surfaces or substrates, stormwater harvest and reuse, or landscaping to store, infiltrate, or evapotranspirate stormwater and reduce flows to sewer systems or to surface waters."[35]

According to the EPA, green infrastructure can frequently provide "a cost-effective, resilient approach to managing wet weather impacts that provides many community benefits."[36] "While single-purpose gray stormwater infrastructure—conventional piped drainage and water treatment systems—is designed to move urban stormwater away from the built environment, green infrastructure"—such as downspout disconnections, green roofs, bioswales, and green streets—"reduces and treats stormwater at its source while delivering environmental, social, and economic benefits."[37]

Stormwater runoff is a major cause of water pollution in urban areas.[38] When rain falls on roofs, streets, and parking lots in cities and their suburbs, the water cannot soak into the ground. Stormwater drains through gutters, storm sewers, and other engineered collection systems and is discharged into nearby water bodies. The stormwater runoff carries trash, bacteria, heavy metals, and other pollutants from the urban landscape. Higher flows resulting from heavy rains also can cause erosion and flooding in urban streams, damaging habitat, property, and infrastructure.[39]

Green infrastructure is designed to use vegetation, soils, and other elements and practices to restore some of the natural processes required to manage water and create healthier urban environments.[40] At the city or county scale, green infrastructure is a

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[32] See Testimony of Mr. Robert Ferrante, Chief Engineer and General Manager of the Los Angeles County Sanitation Districts, before the Subcommittee on Water Resources and Environment, hearing on "Sustainable Wastewater Infrastructure: Measures to Promote Resiliency and Climate Adaptation and Mitigation," April 21, 2021.

[33] See id.

[34] See https://www.epa.gov/sustainable-water-infrastructure/building-sustainable-water-infrastructure; see also https://www.epa.gov/sustainable-water-infrastructure/policy-water-infrastructure-sustainability.

[35] See 33 U.S.C. 1362(27).

[36] See https://www.epa.gov/green-infrastructure/what-green-infrastructure.

[37] See id.

[38] See id.

[39] See id. See also https://www.nrdc.org/stories/green-infrastructure-how-manage-water-sustainable-way.

[40] See id.

patchwork of natural areas that provides habitat, flood protection, cleaner air, and cleaner water. At the neighborhood or site scale, stormwater management systems that mimic natural systems can soak up and store water.[41]

According to testimony from Rebecca Hammer, Deputy Director of Federal Water Policy for the Natural Resources Defense Council, green infrastructure can also be a "powerful tool for addressing climate change"—noting that its use not only "helps communities adapt to the impacts of climate change by reducing flooding, augmenting groundwater supplies, and cooling the air, but green infrastructure also provides climate mitigation benefits by storing carbon and reducing energy demand." [42]

Alternative Water Sources and Water Recycling

According to the EPA, water reuse (also commonly known as water recycling or water reclamation) reclaims water from a variety of sources then treats and reuses it for beneficial purposes such as agriculture and irrigation, potable water supplies, groundwater replenishment, industrial processes, and environmental restoration.[43] Water reuse can provide alternatives to existing water supplies and be used to enhance water security, sustainability, and resilience, especially in areas facing potable water shortages or repeated drought.

Sources of water for potential reuse can include municipal wastewater, industry process and cooling water, stormwater, and agriculture runoff and return flows. These sources of water are adequately treated to meet "fit-for-purpose specifications" for a particular next use.[44] "Fit-for-purpose specifications" are the treatment requirements to bring water from a particular source to the quality needed, to ensure public health, environmental protection, or specific user needs. For example, reclaimed water for crop irrigation would need to be of sufficient quality to prevent harm to plants and soils, maintain food safety, and protect the health of farm workers. In uses where there is a greater human exposure, water may require more treatment.[45]

The Subcommittee received testimony on the potential benefits of reclaimed water and on how increased federal investment can help augment safe, reliable, and affordable water supplies for local communities. For example, Mr. Ferrante's testimony highlighted how the Los Angeles County Sanitation Districts are currently investing in and developing new wastewater recycling and groundwater recharge projects to address the water supply needs of the Los Angeles Metropolitan region.[46]

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[41] See id.

[42] See Testimony of Mr. Rebecca Hammer, Deputy Director of Federal Water Policy, Natural Resources Defense Council, before the Subcommittee on Water Resources and Environment, hearing on "Sustainable Wastewater Infrastructure: Measures to Promote Resiliency and Climate Adaptation and Mitigation," April 21, 2021.

[43] See, generally, https://www.epa.gov/waterreuse/basic-information-about-water-reuse#basics.

[44] 44 See id.

[45] 45 See id.

[46] See Testimony of Mr. Robert Ferrante, Chief Engineer and General Manager of the Los Angeles County Sanitation Districts, before the Subcommittee on Water Resources and Environment, hearing on "Sustainable Wastewater Infrastructure: Measures to Promote Resiliency and Climate Adaptation and Mitigation," April 21, 2021.

Federal clean water investment: Clean Water State Revolving Fund

For more than 70 years, Congress has provided federal funds to municipalities to address local water quality challenges, including sewage treatment needs. Initially, this assistance was provided as loans to states, municipalities, or interstate agencies for the construction of necessary treatment works to prevent the discharge by such state or municipality of untreated or inadequately treated sewage or other waste into interstate waters. (*Federal Water Pollution Control Act of 1948,* P.L. 80–845, 62 Stat. 1155.) In later amendments to the *Federal Water Pollution Control Act,* Congress provided direct grants to municipalities.

In the 1972 Amendments to the *Federal Water Pollution Control Act,* such grants covered 55 to 75 percent of the total costs of the projects. Then, in 1987, Congress converted the direct grant program to the current Clean Water SRF authority that provides capitalization grant funding directly to states to capitalize the states' Clean Water SRFs (P.L. 100–4). These SRFs, in-turn, provide below-market rate loans to communities to finance local wastewater infrastructure needs (required to be fully-repaid over a 30-year term).

The authorization of appropriations for the Clean Water SRF expired after 1994. Yet, Congress has continued to fund, through annual appropriations legislation, the Clean Water SRF program because it provides a critical investment in the nation's wastewater infrastructure. Congressional appropriations have provided more than $45 billion in federal capitalization assistance to states since 1987.[47] Congress provided an appropriation of $1.638 billion for the Clean Water SRF in the fiscal year 2021 appropriations bill (P. L. 116–260, Division G, Title II). In turn, this infusion of federal capital to state revolving funds has leveraged over $138 billion in direct assistance to communities over this period.[48]

In 2014, Congress enacted amendments to the *Clean Water Act* which authorized states that provide assistance to communities under the Clean Water SRF program to provide additional subsidization, including forgiveness of principal and negative interest loans to benefit a municipality that meets the affordability criteria of the state; or that seeks additional subsidization to benefit individual ratepayers in the municipality's residential user rate class that will experience a significant hardship from the increase in rates necessary to finance the project or activity for which assistance is sought.[49]

In addition, in recent years, the annual appropriations bills for the EPA have included provisions to require states to use a portion of Clean Water SRF funding to provide communities with "additional subsidy to eligible recipients in the form of forgiveness of principal, negative interest loans, or grants," as well as to reserve an additional portion of Clean Water SRF funding for "projects to address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities."[50]

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[47] U.S. Environmental Protection Agency, Clean Water State Revolving Fund (CWSRF), https://www.epa.gov/cwsrf.

[48] See id.

[49] See Pub. L. 113–121, Title V, Subtitle A.

[50] See e.g., Pub. L. 116–260, Division G.

In addition, the annual appropriations bills for the EPA have included funds from the Clean Water SRF for projects, training, technical assistance, or education for Indian tribes, reservations, and native villages, and Clean Water SRF funding for the U.S. Territories.[51]

HEARINGS

For the purposes of rule XIII, clause 3(c)(6)(A) of the 117th Congress, the following hearings were used to develop or consider H.R. 1915, as amended:

On February 23, 2021, the Subcommittee held a hearing titled "Building Back Better: The Urgent Need for Investment in America's Wastewater Infrastructure." The Subcommittee received testimony from Hon. David J. Berger, Mayor, City of Limo, Ohio, *testifying on behalf of the U.S. Conference of Mayors*; Hon. Bill Sterud, Chairman, Puyallup Tribal Council, Tacoma, Washington; Mr. Oluwole "OJ" A. McFoy, General Manager, Buffalo Sewer Authority, *testifying on behalf of the National Association of Clean Water Agencies*; Mr. Thomas M. Teske, Vice President and General Manager, EJ Americas; Ms. Brenda Coley, Co-Executive Director, Milwaukee Water Commons; and Mr. David Mallino, Legislative Director, Laborers International Union of North America. This hearing examined the current state of our clean water systems and received testimony on the backlog of clean water infrastructure needs, current and future challenges, and the infrastructure affordability challenges facing communities and American households.

On April 21, 2021, the Subcommittee held a hearing titled "Sustainable Wastewater Infrastructure: Measures to Promote Resiliency and Climate Adaptation and Mitigation." The Subcommittee received testimony from Mr. Howard M. Neukrug, Executive Director, the Water Center, University of Pennsylvania; Ms. Kisha L. Powell, Chief Operating Officer and Executive Vice President, D.C. Water; Mr. Robert C. Ferrante, Chief Engineer and General Manager, Los Angeles County Sanitation Districts; Mr. Kevin Robert Perry, Principal, Urban Rain Design, *testifying on behalf of The American Society of Landscape Architects*; Mr. Kim H. Colson, Director, Division of Water Infrastructure, Department of Environmental Quality, State of North Carolina, *testifying on behalf of the Council of Infrastructure Financing Authorities*; and Ms. Rebecca Hammer, Deputy Director, Federal Water Policy, Natural Resources Defense Council. This hearing provided Members with information on policies and practices to encourage greater resiliency and sustainability of wastewater utilities in meeting the requirements of the *Clean Water Act*.

LEGISLATIVE HISTORY AND CONSIDERATION

H.R. 1915 was introduced in the House on March 16, 2021, by Mr. DeFazio, Mrs. Napolitano, and Mr. Fitzpatrick and referred to the Committee on Transportation and Infrastructure. Within the Committee, H.R. 1915 was referred to the Subcommittee on Water Resources and Environment.

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[51] See id.

The Chair discharged the Subcommittee on Water Resources and Environment from further consideration of H.R. 1915 on June 9, 2021.

The Committee considered H.R. 1915 on June 9, 2021, and ordered the measure, as amended, to be reported to the House with a favorable recommendation, by a record vote of 42 yeas and 25 nays (Roll Call Vote No. 22).

The following amendments were offered:

An Amendment in the Nature of a Substitute offered by Ms. Bourdeaux (#1); was AGREED TO, as amended, by voice vote.

A manager's amendment to the Amendment in the Nature of a Substitute (#1A) offered by Ms. Bourdeaux; was AGREED TO by voice vote.

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Graves of Louisiana (#1B); was WITHDRAWN.

At the appropriate place, insert a new section entitled "Sec. ____. National Pollutant Discharge Elimination System (NPDES) Terms."

A Substitute Amendment in the Nature of a Substitute offered by Mr. Rouzer (#2); was NOT AGREED TO by a record vote of 26 yeas and 39 nays (Roll Call Vote No. 20).

A Substitute Amendment in the Nature of a Substitute offered by Mr. Westerman (#3); was NOT AGREED TO by a record vote of 27 yeas and 39 nays (Roll Call Vote No. 21).

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Graves of Louisiana (#1C); was NOT AGREED TO by voice vote.

Page 7, strike lines 5 through line 9 and insert a new subsection entitled "(d) Assistance."

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Graves of Louisiana (#1D); was NOT AGREED TO by voice vote.

Page 10, strike lines 12 through 18 and insert a new subsection entitled "(e) Definitions."

COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires each committee report to include the total number of votes cast for and against on each record vote on a motion to report and on any amendment offered to the measure or matter, and the names of those members voting for and against.

Committee on Transportation and Infrastructure Roll Call Vote No. 20

On: Agreeing to Amendment #2 offered by Mr. Rouzer
Not Agreed to: 26 yeas and 39 nays.

Majority Members	Vote	Minority Members	Vote
Mr. Defazio, Chair	Nay	Mr. Graves of MO, Ranking Member	Yea
Ms. Norton	Nay	Mr. Young	
Ms. Johnson of TX	Nay	Mr. Crawford	Yea
Mr. Larsen of WA	Nay	Mr. Gibbs	Yea
Mrs. Napolitano	Nay	Mr. Webster	Yea
Mr. Cohen	Nay	Mr. Massie	Yea
Mr. Sires	Nay	Mr. Perry	Yea
Mr. Garamendi	Nay	Mr. Rodney Davis of IL	Yea

Majority Members	Vote	Minority Members	Vote
Mr. Johnson of GA	Nay	Mr. Katko	Nay
Mr. Carson	Nay	Mr. Babin	Yea
Ms. Titus	Nay	Mr. Graves of LA	Yea
Mr. Maloney of NY	Nay	Mr. Rouzer	Yea
Mr. Huffman	Nay	Mr. Bost	Yea
Ms. Brownley	Nay	Mr. Weber of TX	Yea
Ms. Wilson of FL	Nay	Mr. LaMalfa	Yea
Mr. Payne	Nay	Mr. Westerman	Yea
Mr. Lowenthal	Nay	Mr. Mast	Yea
Mr. DeSaulnier	Nay	Mr. Gallagher	.....
Mr. Lynch	.....	Mr. Fitzpatrick	Nay
Mr. Carbajal	Nay	Miss González-Colón	Yea
Mr. Brown	Nay	Mr. Balderson	Yea
Mr. Malinowski	Nay	Mr. Stauber	Yea
Mr. Stanton	Nay	Mr. Burchett	Yea
Mr. Allred	Nay	Mr. Johnson of SD	Yea
Ms. Davids of KS	Nay	Mr. Van Drew	Nay
Mr. García of IL	Nay	Mr. Guest	Yea
Mr. Delgado	Nay	Mr. Nehls	Yea
Mr. Pappas	Nay	Ms. Mace	Yea
Mr. Lamb	Nay	Ms. Malliotakis	Yea
Mr. Moulton	Nay	Ms. Van Duyne	Yea
Mr. Auchincloss	Nay	Mr. Gimenez	Yea
Ms. Bourdeaux	Nay	Mrs. Steel	.....
Mr. Kahele	Nay		
Ms. Strickland	Nay		
Ms. Williams of GA	Nay		
Ms. Newman	Nay		
Mr. Carter	Nay		

Committee on Transportation and Infrastructure Roll Call Vote No. 21

On: Agreeing to Amendment #3 offered by Mr. Westerman
Not Agreed to: 27 yeas and 39 nays.

Majority Members	Vote	Minority Members	Vote
Mr. Defazio, Chair	Nay	Mr. Graves of MO, Ranking Member	Yea
Ms. Norton	Nay	Mr. Young	.....
Ms. Johnson of TX	Nay	Mr. Crawford	Yea
Mr. Larsen of WA	Nay	Mr. Gibbs	Yea
Mrs. Napolitano	Nay	Mr. Webster	Yea
Mr. Cohen	Nay	Mr. Massie	Yea
Mr. Sires	Nay	Mr. Perry	Yea
Mr. Garamendi	Nay	Mr. Rodney Davis of IL	Yea
Mr. Johnson of GA	Nay	Mr. Katko	Nay
Mr. Carson	Nay	Mr. Babin	Yea
Ms. Titus	Nay	Mr. Graves of LA	Yea
Mr. Maloney of NY	Nay	Mr. Rouzer	Yea
Mr. Huffman	Nay	Mr. Bost	Yea
Ms. Brownley	Nay	Mr. Weber of TX	Yea
Ms. Wilson of FL	Nay	Mr. LaMalfa	Yea
Mr. Payne	Nay	Mr. Westerman	Yea
Mr. Lowenthal	Nay	Mr. Mast	Yea
Mr. DeSaulnier	Nay	Mr. Gallagher	.....
Mr. Lynch	.....	Mr. Fitzpatrick	Nay
Mr. Carbajal	Nay	Miss González-Colón	Yea
Mr. Brown	Nay	Mr. Balderson	Yea
Mr. Malinowski	Nay	Mr. Stauber	Yea
Mr. Stanton	Nay	Mr. Burchett	Yea
Mr. Allred	Nay	Mr. Johnson of SD	Yea
Ms. Davids of KS	Nay	Mr. Van Drew	Nay
Mr. García of IL	Nay	Mr. Guest	Yea
Mr. Delgado	Nay	Mr. Nehls	Yea
Mr. Pappas	Nay	Ms. Mace	Yea
Mr. Lamb	Nay	Ms. Malliotakis	Yea

Majority Members	Vote	Minority Members	Vote
Mr. Moulton	Nay	Ms. Van Duyne	Yea
Mr. Auchincloss	Nay	Mr. Gimenez	Yea
Ms. Bourdeaux	Nay	Mrs. Steel	Yea
Mr. Kahele	Nay		
Ms. Strickland	Nay		
Ms. Williams of GA	Nay		
Ms. Newman	Nay		
Mr. Carter	Nay		

Committee on Transportation and Infrastructure Roll Call Vote No. 22

On: Ordering H.R. 1915 to be reported the House, favorably, as amended.

Agreed to: 42 yeas and 25 nays.

Majority Members	Vote	Minority Members	Vote
Mr. Defazio, Chair	Yea	Mr. Graves of MO, Ranking Member	Nay
Ms. Norton	Yea	Mr. Young	
Ms. Johnson of TX	Yea	Mr. Crawford	Nay
Mr. Larsen of WA	Yea	Mr. Gibbs	Nay
Mrs. Napolitano	Yea	Mr. Webster	Nay
Mr. Cohen	Yea	Mr. Massie	Nay
Mr. Sires	Yea	Mr. Perry	Nay
Mr. Garamendi	Yea	Mr. Rodney Davis of IL	Nay
Mr. Johnson of GA	Yea	Mr. Katko	Yea
Mr. Carson	Yea	Mr. Babin	Nay
Ms. Titus	Yea	Mr. Graves of LA	Nay
Mr. Maloney of NY	Yea	Mr. Rouzer	Nay
Mr. Huffman	Yea	Mr. Bost	Nay
Ms. Brownley	Yea	Mr. Weber of TX	Nay
Ms. Wilson of FL	Yea	Mr. LaMalfa	Nay
Mr. Payne	Yea	Mr. Westerman	Nay
Mr. Lowenthal	Yea	Mr. Mast	Nay
Mr. DeSaulnier	Yea	Mr. Gallagher	
Mr. Lynch	Yea	Mr. Fitzpatrick	Yea
Mr. Carbajal	Yea	Miss González-Colón	Yea
Mr. Brown	Yea	Mr. Balderson	Nay
Mr. Malinowski	Yea	Mr. Stauber	Nay
Mr. Stanton	Yea	Mr. Burchett	Nay
Mr. Allred	Yea	Mr. Johnson of SD	Nay
Ms. Davids of KS	Yea	Mr. Van Drew	Yea
Mr. García of IL	Yea	Mr. Guest	Nay
Mr. Delgado	Yea	Mr. Nehls	Nay
Mr. Pappas	Yea	Ms. Mace	Nay
Mr. Lamb	Yea	Ms. Malliotakis	Yea
Mr. Moulton	Yea	Ms. Van Duyne	Nay
Mr. Auchincloss	Yea	Mr. Gimenez	Nay
Ms. Bourdeaux	Yea	Mrs. Steel	Nay
Mr. Kahele	Yea		
Ms. Strickland	Yea		
Ms. Williams of GA	Yea		
Ms. Newman	Yea		
Mr. Carter	Yea		

COMMITTEE OVERSIGHT FINDINGS

With respect to the requirements of clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in this report.

NEW BUDGET AUTHORITY AND TAX EXPENDITURES

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of clause (3)(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has requested but not received a cost estimate for this bill from the Director of Congressional Budget Office. The Committee has requested but not received from the Director of the Congressional Budget Office a statement as to whether this bill contains any new budget authority, spending authority, credit authority, or an increase or decrease in revenues or tax expenditures. The Chairman of the Committee shall cause such estimate and statement to be printed in the *Congressional Record* upon its receipt by the Committee.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

With respect to the requirement of clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, a cost estimate provided by the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974 was not made available to the Committee in time for the filing of this report. The Chairman of the Committee shall cause such estimate to be printed in the *Congressional Record* upon its receipt by the Committee.

PERFORMANCE GOALS AND OBJECTIVES

With respect to the requirement of clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the performance goal and objective of this legislation is to restore and maintain the chemical, physical, and biological integrity of the nation's waters by reauthorizing federal appropriations to provide financial assistance to states and communities for the construction of wastewater infrastructure, and for other purposes.

DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, the Committee finds that no provision of H.R. 1915, as amended, establishes or reauthorizes a program of the federal government known to be duplicative of another federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111–139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

CONGRESSIONAL EARMARKS, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS

In compliance with clause 9 of rule XXI of the Rules of the House of Representatives, this bill, as reported, contains no Congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), or 9(g) of the rule XXI.

FEDERAL MANDATES STATEMENT

An estimate of federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act was not made available to the Committee in time for the filing of this report. The Chairman of the Committee shall cause such estimate to be printed in the *Congressional Record* upon its receipt by the Committee.

PREEMPTION CLARIFICATION

Section 423 of the Congressional Budget Act of 1974 requires the report of any Committee on a bill or joint resolution to include a statement on the extent to which the bill or joint resolution is intended to preempt state, local, or tribal law. The Committee finds that H.R. 1915, as amended, does not preempt any state, local, or tribal law.

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act (Public Law 104–1).

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1. Short title

This section cites the bill as the "Water Quality Protection and Job Creation Act of 2021".

Sec. 2. Wastewater infrastructure workforce investment

This section requires the EPA Administrator (Administrator), in consultation with the Secretary of Labor, to issue a report to Congress on the current and future workforce needs of public wastewater treatment utilities and actions, including federal investments, that can be taken to promote workforce development to address these needs.

Sec. 3. Technical assistance to rural, small, and tribal communities

This section authorizes a total of $500 million over fiscal years 2022 through 2026 for several *Clean Water Act* grant authorities related to research, studies, technical assistance, training, and information under section 104 of the *Act*, of which $250 million is designated for grants to provide technical assistance to rural, small, and tribal communities in the planning, design, and construction of wastewater facilities and to achieve and maintain compliance with the *Act*. The Administrator is to submit to Congress, not later than two years after the date of enactment of this section, a report that describes the implementation of these grants during the two fiscal years preceding the date of the report, including a description of the recipients and amounts of such grants.

Sec. 4. State management assistance

This section authorizes a total of $2.5 billion over fiscal years 2022 through 2026 in grants to states for implementing state water quality improvement programs (under Section 106 of the *Act*).

Sec. 5. Watershed, wet weather, and resiliency projects

This section amends section 122 of the *Act* to authorize a new grant eligibility for public wastewater utilities to assess and address future risks posed by manmade or natural disasters, including extreme weather events, drought, and sea-level rise, as well as cybersecurity risks. This section authorizes a total of $1 billion to municipalities to carry out watershed, wet weather, and resiliency and security projects, including measures to reduce cybersecurity vulnerability.

This section also clarifies the application of the American Made Iron and Steel provisions of Title VI of the *Clean Water Act* to activities carried out under this section, as well as provides that not less than 15 percent of the amounts appropriated pursuant to this section in a fiscal year shall be used to provide assistance to municipalities with a population of less than 10,000 people, to the extent there are sufficient eligible applications.

Sec. 6. Waiver of matching requirement for grants to the District of Columbia

This section waives the requirement for the District of Columbia to provide a non-federal match for wastewater infrastructure grants provided under Title II of the *Act*, aligning the District with treatment of similar funding to U.S. Territories.

Sec. 7. Pilot program for alternative water source projects

This section amends section 220 of the *Act* to authorize a total of $1 billion for grants to carry out alternative water source projects, including projects for groundwater recharge and potable reuse.

This section expands the types of projects eligible to receive funding under this authority to include projects that reclaim stormwater, as well as certain projects that may be authorized under the *Reclamation Projects Authorization and Adjustment Act of 1992 (Reclamation Act)*. However, this section explicitly excludes from eligibility for assistance under section 220 of the *Clean Water Act* any project authorized under the *Reclamation Act* that has received any construction funding under that authority.

In awarding grants under this section, the Committee expects that the Administrator will evaluate all proposals for alternative water source projects and award grants to eligible projects based on the criteria established by this section. The Committee does not intend for this authority simply to fund previously authorized projects under the *Reclamation Act*.

This section also clarifies the application of the American Made Iron and Steel provisions of Title VI of the *Clean Water Act* to activities carried out under this section, as well as provides that not less than 15 percent of the amounts appropriated pursuant to this section in a fiscal year shall be used to provide assistance to municipalities with a population of less than 10,000, to the extent there are sufficient eligible applications.

In addition, consistent with House Report 106–995, projects that fall within the definition of "alternative water source project" are considered treatment works for the purposes of section 212 and 513 of the *Clean Water Act*.

Sec. 8. Sewer overflow and stormwater reuse municipal grants

This section amends section 221 of the *Act* to authorize a total of $2 billion over fiscal years 2022 through 2026 in grants for sewer overflow and stormwater reuse projects, as well as provides for a greater federal cost share of projects that serve financially distressed communities.

This section also clarifies the application of the American Made Iron and Steel provisions of Title VI of the *Clean Water Act* to activities carried out under this section, as well as provides that not less than 20 percent of the amounts appropriated pursuant to this section in a fiscal year shall be used to provide assistance to municipalities with a population of less than 20,000 people, to the extent there are sufficient eligible applications.

Sec. 9. Grants for the treatment of emerging contaminants

This section authorizes a total of $1 billion over fiscal years 2022 through 2026 in grants to municipalities for the implementation of *Clean Water Act* treatment standards for emerging contaminants, including per- and polyfluoroalkyl substances (PFAS). The authorization of funds under this section is not intended to affect, and does not affect or supplant, any liability or financial responsibility of any party responsible for the release or presence of such contaminants in the environment.

Sec. 10. Household wastewater treatment system grant program

This section authorizes $250 million over fiscal years 2022 through 2026 in grants to assist low-income households to install, repair, or replace domestic septic systems, or to attach households with failing septic systems to public sewer systems. This section prioritizes grant funding to those low-income households that currently lack access to sewage treatment technologies, including households that currently use cesspools to capture or store domestic sewage. The Administrator is to submit to Congress, not later than two years after the date of enactment of this section, a report that describes the recipients of grants and assistance under this section and the results of the program established under this section.

Sec. 11. Smart wastewater infrastructure technology grant program

This section authorizes $500 million over fiscal years 2022 through 2026 in grants to municipalities for the modernization of wastewater collection systems and stormwater management technologies. The Administrator is to submit to Congress, not later than 180 days after the date of enactment of this section, a report that describes the projects funded under this section, any related improvement of the resiliency of publicly owned treatment works, and recommendations to improve the grant program established under this section.

Sec. 12. Reports to Congress

This section directs the Administrator to include in its statutorily required, biennial needs assessment report, an estimate of the costs to implement resiliency and sustainability measures at publicly owned treatment works, as well as conduct a more-detailed assessment of the wastewater infrastructure repair and replacement needs.

Section 516 of the *Clean Water Act* requires the Administrator, in cooperation with the states, including water pollution control agencies and other water pollution control planning agencies, to prepare, and biennially revise, a detailed cost estimate on the cost of construction of all needed publicly owned treatment works in each of the states. This state-by-state survey on clean water infrastructure needs, which is commonly referred to as the "Clean Watersheds Needs Survey," is critical to understanding the overall scale of wastewater infrastructure needs facing the nation, and for ensuring robust federal participation in addressing that need. The Committee notes that the last Clean Water Needs Survey was provided to Congress in January 2016, and includes information gathered from the states prior to 2012.[52]

Pursuant to section 516 of the *Clean Water Act*, the Administrator should have provided Congress with a revised Clean Water Needs Survey in 2018; however, no such report has been released so far. The Committee expects the Administrator to follow their legal responsibility under section 516 to report to Congress every two years on the overall clean water needs facing the nation and to immediately provide an updated Clean Water Needs Survey to Congress.

This section also requires the Administrator to conduct an annual audit of funds utilized by states for green infrastructure, water- or energy-efficiency improvements, or other environmentally innovative projects. The Committee received testimony on the lack of data related to utilization of Clean Water SRF funds for projects to address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities—commonly referred to as the "green project reserve" and which is made permanent in H.R. 1915, as amended.[53] In response, this section requires the Administrator to submit an annual report on the use of *Clean Water Act* funds under either section 221 or Title VI of the *Act* for projects that fall within the green project reserve definition, and on the cost and benefits of such projects, including any potential short- and long-term cost savings to public utilities and any environmental and community benefits of implementing such projects.

Sec. 13. Indian tribes

This section codifies in the *Act* the annual set-aside of funds from the Clean Water SRF (two percent of annual Clean Water SRF capitalization grants or $30 million, whichever is greater) for projects, training, technical assistance, or education for Indian tribes, reservations, and Alaskan Native Villages. This provision has been in-

[52] U.S. Environmental Protection Agency. (2016). *Clean Watersheds Needs Survey 2012.* Report to Congress. (EPA–830–R–15005). Retrieved from https://www.epa.gov/sites/production/files/2015-12/documents/cwns_2012_report_to_congress-508-opt.pdf.

[53] See Testimony of Mr. Rebecca Hammer at note 42.

cluded in annual Congressional appropriations legislation covering the Clean Water SRF over the past several years.

This section also authorizes an additional $2.5 billion in grant assistance to address the backlog of wastewater infrastructure projects on Tribal lands. Funds appropriated pursuant to this authority should be awarded in the same manner, and subject to the same conditions, as funds awarded to address tribal wastewater infrastructure needs through the Clean Water SRF and section 518 of the *Act*.

Sec. 14. Capitalization grants

This section amends section 602 of the Act to: (1) require utilities that utilize the Clean Water SRF to consider modifications that promote efficient energy use at the utility (such as technologies that capture and reuse methane produced in the treatment of wastewater); and (2) require a minimum of 20 percent of Clean Water SRF capitalization grants be directed towards certain project categories, including 15 percent for projects which address green infrastructure, water or energy efficiency improvements, or other environmentally innovative projects, and five percent for projects that increase the resiliency of treatment works to extreme weather, drought, sea level rise, and other impacts of climate change. Potentially eligible projects include, but are not limited to, replacing inefficient pumps or pumping systems; rain gardens; permeable pavements; green roofs; bioswales; and rainwater harvesting.

Sec. 15. Water pollution control revolving loan funds

This section includes grants as eligible state assistance and directs states to utilize a minimum of 20 percent and a maximum of 50 percent of their annual Clean Water SRF funding to provide additional subsidization (including grants) to municipalities that use SRF funds. This section also clarifies that Clean Water SRF funding can be used by utilities to address cybersecurity vulnerabilities at wastewater treatment operations.

Sec. 16. Allotment of funds

This section authorizes states to use up to one percent of their annual Clean Water SRF capitalization grants to promote workforce development and utility worker training and education programs.

Sec. 17. Reservation of funds for territories of the United States

This section codifies the annual reservation of one-and-a-half percent of Clean Water SRF funding for the U.S. Territories, and authorizes the U.S. Territories to use this funding for projects and activities eligible under section 603(c) of the *Act*. This provision has been included in annual Congressional appropriations legislation covering the Clean Water SRF over the past several years.

Sec. 18. Authorization of appropriations

This section provides a total of $40 billion in funding authorizations for the Clean Water SRF program for fiscal years 2022 through 2026.

Sec. 19. Technical assistance by Municipal Ombudsman

This section amends the existing authority for EPA to establish a Municipal Ombudsman Office within the agency to include assistance to rural, small, and tribal communities.

Sec. 20. Report on wastewater infrastructure funding for rural, economically disadvantaged, and tribal communities

This section directs the Administrator to initiate a study, and issue a report to Congress not later than two years after the date of enactment of this section, on the distribution of clean water infrastructure funding directed at the wastewater infrastructure needs of rural, economically disadvantaged, and Tribal communities.

Sec. 21. Water Reuse Interagency Working Group

This section directs the Administrator to establish a Water Reuse Interagency Working Group to develop and coordinate actions and resources to encourage greater reuse of water, including through implementation of the 2020 National Water Reuse Action Plan,[54] and to submit to Congress, not less frequently than every two years, a report on the activities and findings of the working group. The working group is to terminate on the date that is six years after the date of enactment of the Act.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, and existing law in which no change is proposed is shown in roman):

FEDERAL WATER POLLUTION CONTROL ACT

TITLE I—RESEARCH AND RELATED PROGRAMS

* * * * * * *

RESEARCH, INVESTIGATIONS, TRAINING, AND INFORMATION

SEC. 104. (a) The Administrator shall establish national programs for the prevention, reduction, and elimination of pollution and as part of such programs shall—

(1) in cooperation with other Federal, State, and local agencies, conduct and promote the coordination and acceleration of, research, investigations, experiments, training, demonstrations, surveys, and studies relating to the causes, effects, extent, prevention, reduction, and elimination of pollution;

(2) encourage, cooperate with, and render technical services to pollution control agencies and other appropriate public or private agencies, institutions, and organizations, and individ-

[54] The National Water Reuse Action Plan, finalized by EPA in 2020, seeks to "promote the consideration of water reuse as a tool to improve the resiliency, security, and sustainability of the Nation's water" See 85 Fed. Reg. 12552 (March 2, 2020).

uals, including the general public, in the conduct of activities referred to in paragraph (1) of this subsection;

(3) conduct, in cooperation with State water pollution control agencies and other interested agencies, organizations and persons, public investigations concerning the pollution of any navigable waters, and report on the results of such investigations;

(4) establish advisory committees composed of recognized experts in various aspects of pollution and representatives of the public to assist in the examination and evaluation of research progress and proposals and to avoid duplication of research;

(5) in cooperation with the States, and their political subdivisions, and other Federal agencies establish, equip, and maintain a water quality surveillance system for the purpose of monitoring the quality of the navigable waters and ground waters and the contiguous zone and the oceans and the Administrator shall, to the extent practicable, conduct such surveillance by utilizing the resources of the National Aeronautics and Space Administration, the National Oceanic and Atmospheric Administration, the Geological Survey, and the Coast Guard, and shall report on such quality in the report required under subsection (a) of section 516; and

(6) initiate and promote the coordination and acceleration of research designed to develop the most effective practicable tools and techniques for measuring the social and economic costs and benefits of activities which are subject to regulations under this Act; and shall transmit a report on the results of such research to the Congress not later than January 1, 1974.

(b) In carrying out the provisions of subsection (a) of this section the Administrator is authorized to—

(1) collect and make available, through publications and other appropriate means, the results of and other information, including appropriate recommendations by him in connection therewith, pertaining to such research and other activities referred to in paragraph (1) of subsection (a);

(2) cooperate with other Federal departments and agencies, State water pollution control agencies, interstate agencies, other public and private agencies, institutions, organizations, industries involved, and individuals, in the preparation and conduct of such research and other activities referred to in paragraph (1) of subsection (a);

(3) make grants to State water pollution control agencies, interstate agencies, other public or nonprofit private agencies, institutions, organizations, and individuals, for purposes stated in paragraph (1) of subsection (a) of this section;

(4) contract with public or private agencies, institutions, organizations, and individuals, without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5), referred to in paragraph (1) of subsection (a);

(5) establish and maintain research fellowships at public or nonprofit private educational institutions or research organizations;

(6) collect and disseminate, in cooperation with other Federal departments and agencies, and with other public or private agencies, institutions, and organizations having related responsibilities, basic data on chemical, physical, and biological ef-

fects of varying water quality and other information pertaining to pollution and the prevention, reduction, and elimination thereof;

(7) develop effective and practical processes, methods, and prototype devices for the prevention, reduction, and elimination of pollution; and

(8) make grants to nonprofit organizations—

(A) to provide technical assistance to rural, small, and tribal municipalities for the purpose of assisting, in consultation with the State in which the assistance is provided, such municipalities and tribal governments in the planning, developing, and acquisition of financing for eligible projects and activities described in section 603(c);

(B) to provide technical assistance and training for rural, small, and tribal publicly owned treatment works and decentralized wastewater treatment systems to enable such treatment works and systems to protect water quality and achieve and maintain compliance with the requirements of this Act; and

(C) to disseminate information to rural, small, and tribal municipalities and municipalities that meet the affordability criteria established under section 603(i)(2) by the State in which the municipality is located with respect to planning, design, construction, and operation of publicly owned treatment works and decentralized wastewater treatment systems.

(c) In carrying out the provisions of subsection (a) of this section the Administrator shall conduct research on, and survey the results of other scientific studies on, the harmful effects on the health or welfare of persons caused by pollutants. In order to avoid duplication of effort, the Administrator shall, to the extent practicable, conduct such research in cooperation with and through the facilities of the Secretary of Health, Education, and Welfare.

(d) In carrying out the provisions of this section the Administrator shall develop and demonstrate under varied conditions (including conducting such basic and applied research, studies, and experiments as may be necessary):

(1) Practicable means of treating municipal sewage, and other waterborne wastes to implement the requirements of section 201 of this Act;

(2) Improved methods and procedures to identify and measure the effects of pollutants, including those pollutants created by new technological developments; and

(3) Methods and procedures for evaluating the effects on water quality of augmented streamflows to control pollution not susceptible to other means of prevention, reduction, or elimination.

(e) The Administrator shall establish, equip, and maintain field laboratory and research facilities, including, but not limited to, one to be located in the northeastern area of the United States, one in the Middle Atlantic area, one in the southeastern area, one in the midwestern area, one in the southwestern area, one in the Pacific Northwest, and one in the State of Alaska, for the conduct of research, investigations, experiments, field demonstrations and studies, and training relating to the prevention, reduction and elimi-

nation of pollution. Insofar as practicable, each such facility shall be located near institutions of higher learning in which graduate training in such research might be carried out. In conjunction with the development of criteria under section 403 of this Act, the Administrator shall construct the facilities authorized for the National Marine Water Quality Laboratory established under this subsection.

(f) The Administrator shall conduct research and technical development work, and make studies, with respect to the quality of the waters of the Great Lakes, including an analysis of the present and projected future water quality of the Great Lakes under varying conditions of waste treatment and disposal, an evaluation of the water quality needs of those to be served by such waters, an evaluation of municipal, industrial, and vessel waste treatment and disposal practices with respect to such waters, and a study of alternate means of solving pollution problems (including additional waste treatment measures) with respect to such waters.

(g)(1) For the purpose of providing an adequate supply of trained personnel to operate and maintain existing and future treatment works and related activities, and for the purpose of enhancing substantially the proficiency of those engaged in such activities, the Administrator shall finance pilot programs, in cooperation with State and interstate agencies, municipalities, educational institutions, and other organizations and individuals, of [manpower] *workforce* development and training and retraining of persons in, on entering into, the field of operation and maintenance of treatment works and related activities. Such program and any funds expended for such a program shall supplement, not supplant, other [manpower] *workforce* and training programs and funds available for the purposes of this paragraph. The Administrator is authorized, under such terms and conditions as he deems appropriate, to enter into agreements with one or more States, acting jointly or severally, or with other public or private agencies or institutions for the development and implementation of such a program.

(2) The Administrator is authorized to enter into agreements with public and private agencies and institutions, and individuals to develop and maintain an effective system for forecasting the supply of, and demand for, various professional and other occupational categories needed for the prevention, reduction, and elimination of pollution in each region, State, or area of the United States and, from time to time, to publish the results of such forecasts.

(3) In furtherance of the purposes of this Act, the Administrator is authorized to—

(A) make grants to public or private agencies and institutions and to individuals for training projects, and provide for the conduct of training by contract with public or private agencies and institutions and with individuals without regard to sections 3648 and 3709 of the Revised Statutes;

(B) establish and maintain research fellowships in the Environmental Protection Agency with such stipends and allowances, including traveling and subsistence expenses, as he may deem necessary to procure the assistance of the most promising research fellows; and

(C) provide, in addition to the program established under paragraph (1) of this subsection, training in technical matters

relating to the causes, prevention, reduction, and elimination of pollution for personnel of public agencies and other persons with suitable qualifications.

[(4) The Administrator shall submit, through the President, a report to the Congress not later than December 31, 1973, summarizing the actions taken under this subsection and the effectiveness of such actions, and setting forth the number of persons trained, the occupational categories for which training was provided, the effectiveness of other Federal, State, and local training programs in this field, together with estimates of future needs, recommendations on improving training programs, and such other information and recommendations, including legislative recommendations, as he deems appropriate.]

(4) REPORT TO CONGRESS ON PUBLICLY OWNED TREATMENT WORKS WORKFORCE DEVELOPMENT.—Not later than 2 years after the date of enactment of the Water Quality Protection and Job Creation Act of 2021, the Administrator, in consultation with the Secretary of Labor, shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate a report containing—

(A) an assessment of the current and future workforce needs for publicly owned treatment works, including an estimate of the number of future positions needed for such treatment works and the technical skills and education needed for such positions;

(B) a summary of actions taken by the Administrator, including Federal investments under this chapter, that promote workforce development to address such needs; and

(C) any recommendations of the Administrator to address such needs.

(h) The Administrator is authorized to enter into contracts, with, or make grants to, public or private agencies and organizations and individuals for (A) the purpose of developing and demonstrating new or improved methods for the prevention, removal, reduction, and elimination of pollution in lakes, including the undesirable effects of nutrients and vegetation, and (B) the construction of publicly owned research facilities for such purpose.

(i) The Administrator, in cooperation with the Secretary of the department in which the Coast Guard is operating, shall—

(1) engage in such research, studies, experiments, and demonstrations as he deems appropriate, relative to the removal of oil from any waters and to the prevention, control, and elimination of oil and hazardous substances pollution;

(2) publish from time to time the results of such activities; and

(3) from time to time, develop and publish in the Federal Register specifications and other technical information on the various chemical compounds used in the control of oil and hazardous substances spills.

In carrying out this subsection, the Administrator may enter into contracts with, or make grants to, public or private agencies and organizations and individuals.

(j) The Secretary of the department in which the Coast Guard is operating shall engage in such research, studies, experiments, and

demonstrations as he deems appropriate relative to equipment which is to be installed on board a vessel and is designed to receive, retain, treat, or discharge human body wastes and the wastes from toilets and other receptacles intended to receive or retain body wastes with particular emphasis on equipment to be installed on small recreational vessels. The Secretary of the department in which the Coast Guard is operating shall report to Congress the results of such research, studies, experiments, and demonstrations prior to the effective date of any regulations established under section 312 of this Act. In carrying out this subsection the Secretary of the department in which the Coast Guard is operating may enter into contracts with, or make grants to, public or private organizations and individuals.

(k) In carrying out the provisions of this section relating to the conduct by the Administrator of demonstration projects and the development of field laboratories and research facilities, the Administrator may acquire land and interests therein by purchase, with appropriated or donated funds, by donation, or by exchange for acquired or public lands under his jurisdiction which he classifies as suitable for disposition. The values of the properties so exchanged either shall be approximately equal, or if they are not approximately equal, the values shall be equalized by the payment of cash to the grantor or to the Administrator as the circumstances require.

(l)(1) The Administrator shall, after consultation with appropriate local, State, and Federal agencies, public and private organizations, and interested individuals, as soon as practicable but not later than January 1, 1973, develop and issue to the States for the purpose of carrying out this Act the latest scientific knowledge available in indicating the kind and extent of effects on health and welfare which may be expected from the presence of pesticides in the water in varying quantities. He shall revise and add to such information whenever necessary to reflect developing scientific knowledge.

(2) The President shall, in consultation with appropriate local, State, and Federal agencies, public and private organizations, and interested individuals, conduct studies and investigations of methods to control the release of pesticides into the environment which study shall include examination of the persistency of pesticides in the water environment and alternatives thereto. The President shall submit reports, from time to time, on such investigations to Congress together with his recommendations for any necessary legislation.

(m)(1) The Administrator shall, in an effort to prevent degradation of the environment from the disposal of waste oil, conduct a study of (A) the generation of used engine, machine, cooling, and similar waste oil, including quantities generated, the nature and quality of such oil, present collecting methods and disposal practices, and alternate uses of such oil; (B) the long-term, chronic biological effects of the disposal of such waste oil; and (C) the potential market for such oils, including the economic and legal factors relating to the sale of products made from such oils, the level of subsidy, if any, needed to encourage the purchase by public and private nonprofit agencies of products from such oil, and the practicability of Federal procurement, on a priority basis, of products

made from such oil. In conducting such study, the Administrator shall consult with affected industries and other persons.

(2) The Administrator shall report the preliminary results of such study to Congress within six months after the date of enactment of the Federal Water Pollution Control Act Amendments of 1972, and shall submit a final report to Congress within 18 months after such date of enactment.

(n)(1) The Administrator shall, in cooperation with the Secretary of the Army, the Secretary of Agriculture, the Water Resources Council, and with other appropriate Federal, State, interstate, or local public bodies and private organizations, institutions, and individuals, conduct and promote, encourage contributions to, continuing comprehensive studies of the effects of pollution, including sedimentation, in the estuaries and estuarine zones of the United States on fish and wildlife, on sport and commercial fishing, on recreation, on water supply and water power, and on other beneficial purposes. Such studies shall also consider the effect of demographic trends, the exploitation of mineral resources and fossil fuels, land and industrial development, navigation, flood and erosion control, and other uses of estuaries and estuarine zones upon the pollution of the waters therein.

(2) In conducting such studies, the Administrator shall assemble, coordinate, and organize all existing pertinent information on the Nation's estuaries and estuarine zones; carry out a program of investigations and surveys to supplement existing information in representative estuaries and estuarine zones; and identify the problems and areas where further research and study are required.

(3) The Administrator shall submit to Congress, from time to time, reports of the studies authorized by this subsection but at least one such report during any six-year period. Copies of each such report shall be made available to all interested parties, public and private.

(4) For the purpose of this subsection, the term "estuarine zones" means an environmental system consisting of an estuary and those transitional areas which are consistently influenced or affected by water from an estuary such as, but not limited to, salt marshes, coastal and intertidal areas, bays, harbors, lagoons, inshore waters, and channels, and the term "estuary" means all or part of the mouth of a river or stream or other body of water having unimpaired natural connection with open sea and within which the sea water is measurably diluted with fresh water derived from land drainage.

(o)(1) The Administrator shall conduct research and investigations on devices, systems, incentives, pricing policy, and other methods of reducing the total flow of sewage, including, but not limited to, unnecessary water consumption in order to reduce the requirements for, and the costs of, sewage and waste treatment services. Such research and investigations shall be directed to develop devices, systems, policies, and methods capable of achieving the maximum reduction of unnecessary water consumption.

(2) The Administrator shall report the preliminary results of such studies and investigations to the Congress within one year after the date of enactment of the Federal Water Pollution Control Act Amendments of 1972, and annually thereafter in the report required under subsection (a) of section 516. Such report shall in-

clude recommendations for any legislation that may be required to provide for the adoption and use of devices, systems, policies, or other methods of reducing water consumption and reducing the total flow of sewage. Such report shall include an estimate of the benefits to be derived from adoption and use of such devices, systems, policies, or other methods and also shall reflect estimates of any increase in private, public, or other cost that would be occasioned thereby.

(p) In carrying out the provisions of subsection (a) of this section the Administrator shall, in cooperation with the Secretary of Agriculture, other Federal agencies, and the States, carry out a comprehensive study and research program to determine new and improved methods and the better application of existing methods of preventing, reducing, and eliminating pollution from agriculture, including the legal, economic, and other implications of the use of such methods.

(q)(1) The Administrator shall conduct a comprehensive program of research and investigation and pilot project implementation into new and improved methods of preventing, reducing, storing, collecting, treating, or otherwise eliminating pollution from sewage in rural and other areas where collection of sewage in conventional, community-wide sewage collection systems is impractical, uneconomical, or otherwise infeasible, or where soil conditions or other factors preclude the use of septic tank and drainage field systems.

(2) The Administrator shall conduct a comprehensive program of research and investigation and pilot project implementation into new and improved methods for the collection and treatment of sewage and other liquid wastes combined with the treatment and disposal of solid wastes.

(3) The Administrator shall establish, either within the Environmental Protection Agency, or through contract with an appropriate public or private non-profit organization, a national clearinghouse which shall (A) receive reports and information resulting from research, demonstrations, and other projects funded under this Act related to paragraph (1) of this subsection and to subsection (e)(2) of section 105; (B) coordinate and disseminate such reports and information for use by Federal and State agencies, municipalities, institutions, and persons in developing new and improved methods pursuant to this subsection; and (C) provide for the collection and dissemination of reports and information relevant to this subsection from other Federal and State agencies, institutions, universities, and persons.

(4) SMALL FLOWS CLEARINGHOUSE.—Notwithstanding section 205(d) of this Act, from amounts that are set aside for a fiscal year under section 205(i) of this Act and are not obligated by the end of the 24-month period of availability for such amounts under section 205(d), the Administrator shall make available $1,000,000 or such unobligated amount, whichever is less, to support a national clearinghouse within the Environmental Protection Agency to collect and disseminate information on small flows of sewage and innovative or alternative wastewater treatment processes and techniques, consistent with paragraph (3). This paragraph shall apply with respect to amounts set aside under section 205(i) for which the 24-month period of

availability referred to in the preceding sentence ends on or after September 30, 1986.

(r) The Administrator is authorized to make grants to colleges and universities to conduct basic research into the structure and function of fresh water aquatic ecosystems, and to improve understanding of the ecological characteristics necessary to the maintenance of the chemical, physical, and biological integrity of freshwater aquatic ecosystems.

(s) The Administrator is authorized to make grants to one or more institutions of higher education (regionally located and to be designated as "River Study Centers") for the purpose of conducting and reporting on interdisciplinary studies on the nature of river systems, including hydrology, biology, ecology, economics, the relationship between river uses and land uses, and the effects of development within river basins on river systems and on the value of water resources and water related activities. No such grant in any fiscal year shall exceed $1,000,000.

(t) The Administrator shall, in cooperation with State and Federal agencies and public and private organizations, conduct continuing comprehensive studies of the effects and methods of control of thermal discharges. In evaluating alternative methods of control the studies shall consider (1) such data as are available on the latest available technology, economic feasibility including cost-effectiveness analysis, and (2) the total impact on the environment, considering not only water quality but also air quality, land use, and effective utilization and conservation of fresh water and other natural resources. Such studies shall consider methods of minimizing adverse effects and maximizing beneficial effects of thermal discharges. The results of these studies shall be reported by the Administrator as soon as practicable, but not later than 270 days after enactment of this subsection, and shall be made available to the public and the States, and considered as they become available by the Administrator in carrying out section 316 of this Act and by the State in proposing thermal water quality standards.

(u) There is authorized to be appropriated (1) not to exceed $100,000,000 per fiscal year for the fiscal year ending June 30, 1973, the fiscal year ending June 30, 1974, and the fiscal year ending June 30, 1975, not to exceed $14,039,000 for the fiscal year ending September 30, 1980, not to exceed $20,697,000 for the fiscal year ending September 30, 1981, not to exceed $22,770,000 for the fiscal year ending September 30, 1982, such sums as may be necessary for fiscal years 1983 through 1985, and not to exceed $22,770,000 per fiscal year for each of the fiscal years 1986 through 1990, for carrying out the provisions of this section, other than subsections (g)(1) and (2), (p), (r), and (t), except that such authorizations are not for any research, development, or demonstration activity pursuant to such provisions; (2) not to exceed $7,500,000 for fiscal years 1973, 1974, and 1975, $2,000,000 for fiscal year 1977, $3,000,000 for fiscal year 1978, $3,000,000 for fiscal year 1979, $3,000,000 for fiscal year 1980, $3,000,000 for fiscal year 1981, $3,000,000 for fiscal year 1982, such sums as may be necessary for fiscal years 1983 through 1985, and $3,000,000 per fiscal year for each of the fiscal years 1986 through 1990, for carrying out the provisions of subsection (g)(1); (3) not to exceed $2,500,000 for fiscal years 1973, 1974, and 1975, $1,000,000 for fiscal year 1977,

$1,500,000 for fiscal year 1978, $1,500,000 for fiscal year 1979, $1,500,000 for fiscal year 1980, $1,500,000 for fiscal year 1981, $1,500,000 for fiscal year 1982, such sums as may be necessary for fiscal years 1983 through 1985, and $1,500,000 per fiscal year for each of the fiscal years 1986 through 1990, for carrying out the provisions of subsection (g)(2); (4) not to exceed $10,000,000 for each of the fiscal years ending June 30, 1973, June 30, 1974, and June 30, 1975, for carrying out the provisions of subsection (p); (5) not to exceed $15,000,000 per fiscal year for the fiscal years ending June 30, 1973, June 30, 1974, and June 30, 1975, for carrying out the provisions of subsection (r); (6) not to exceed $10,000,000 per fiscal year for the fiscal years ending June 30, 1973, June 30, 1974, and June 30, 1975, for carrying out the provisions of subsection (t); **[**and (7)**]** *(7)* not to exceed $25,000,000 for each of fiscal years 2019 through **[**2023**]** *2021* for carrying out subsections (b)(3), (b)(8), and (g)*; and (8) not to exceed $100,000,000 for each of fiscal years 2022 through 2026 for carrying out subsections (b)(3), (b)(8), and (g), except that not less than half of the amounts so appropriated to carry out such subsections in each such fiscal year shall be used for carrying out subsection (b)(8)*.

(v) STUDIES CONCERNING PATHOGEN INDICATORS IN COASTAL RECREATION WATERS.—Not later than 18 months after the date of the enactment of this subsection, after consultation and in cooperation with appropriate Federal, State, tribal, and local officials (including local health officials), the Administrator shall initiate, and, not later than 3 years after the date of the enactment of this subsection, shall complete, in cooperation with the heads of other Federal agencies, studies to provide additional information for use in developing—

(1) an assessment of potential human health risks resulting from exposure to pathogens in coastal recreation waters, including nongastrointestinal effects;

(2) appropriate and effective indicators for improving detection in a timely manner in coastal recreation waters of the presence of pathogens that are harmful to human health;

(3) appropriate, accurate, expeditious, and cost-effective methods (including predictive models) for detecting in a timely manner in coastal recreation waters the presence of pathogens that are harmful to human health; and

(4) guidance for State application of the criteria for pathogens and pathogen indicators to be published under section 304(a)(9) to account for the diversity of geographic and aquatic conditions.

(w) NONPROFIT ORGANIZATION.—For purposes of subsection (b)(8), the term "nonprofit organization" means a nonprofit organization that the Administrator determines, after consultation with the States regarding what small publicly owned treatments works in the State find to be most beneficial and effective, is qualified and experienced in providing on-site training and technical assistance to small publicly owned treatment works.

* * * * * * *

GRANTS FOR POLLUTION CONTROL PROGRAMS

SEC. 106. (a) There are hereby authorized to be appropriated the following sums, to remain available until expended, to carry out the purposes of this section—

(1) $60,000,000 for the fiscal year ending June 30, 1973; [and]

(2) $75,000,000 for the fiscal year ending June 30, 1974, and the fiscal year ending June 30, 1975, $100,000,000 per fiscal year for the fiscal years 1977, 1978, 1979, and 1980, $75,000,000 per fiscal year for the fiscal years 1981 and 1982, such sums as may be necessary for fiscal years 1983 through 1985, and $75,000,000 per fiscal year for each of the fiscal years 1986 through 1990;

(3) such sums as may be necessary for each of fiscal years 1991 through 2021; and

(4) $500,000,000 for each of fiscal years 2022 through 2026;

for grants to States and to interstate agencies to assist them in administering programs for the prevention, reduction, and elimination of pollution, including enforcement directly or through appropriate State law enforcement officers or agencies.

(b) From the sums appropriated in any fiscal year, the Administrator shall make allotments to the several States and interstate agencies in accordance with regulations promulgated by him on the basis of the extent of the pollution problem in the respective States.

(c) The Administrator is authorized to pay to each State and interstate agency each fiscal year either—

(1) the allotment of such State or agency for such fiscal year under subsection (b), or

(2) the reasonable costs as determined by the Administrator of developing and carrying out a pollution program by such State or agency during such fiscal year,

which ever amount is the lesser.

(d) No grant shall be made under this section to any State or interstate agency for any fiscal year when the expenditure of non-Federal funds by such State or interstate agency during such fiscal year for the recurrent expenses of carrying out its pollution control program are less than the expenditure by such State or interstate agency of non-Federal funds for such recurrent program expenses during the fiscal year ending June 30, 1971.

(e) [Beginning in fiscal year 1974 the] *The* Administrator shall not make any grant under this section to any State which has not provided or is not carrying out as a part of its program—

(1) the establishment and operation of appropriate devices, methods, systems, and procedures necessary to monitor, and to compile and analyze data on (including classification according to eutrophic condition), the quality of navigable waters and to the extent practicable, ground waters including biological monitoring; and provision for annually updating such data and including it in the report required under section 305 of this Act;

(2) authority comparable to that in section 504 of this Act and adequate contingency plans to implement such authority.

(f) Grants shall be made under this section on condition that—

(1) Such State (or interstate agency) filed with the Administrator within one hundred and twenty days after the date of enactment of this section:

(A) a summary report of the current status of the State pollution control program, including the criteria used by the State in determining priority of treatment works; and

(B) such additional information, data, and reports as the Administrator may require.

(2) No federally assumed enforcement as defined in section 309(a)(2) is in effect with respect to such State or interstate agency.

(3) Such State (or interstate agency) submits within one hundred and twenty days after the date of enactment of this section and before October 1 of each year thereafter for the Administrator's approval of its program for the prevention, reduction, and elimination of pollution in accordance with purposes and provisions of this Act in such form and content as the Administrator may prescribe.

(g) Any sums allotted under subsection (b) in any fiscal year which are not paid shall be reallotted by the Administrator in accordance with regulations promulgated by him.

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SEC. 122. [WATERSHED PILOT PROJECTS] *WATERSHED, WET WEATHER, AND RESILIENCY PROJECTS.*

(a) IN GENERAL.—The Administrator, in coordination with the States, may provide technical assistance and grants to a municipality or municipal entity to carry out [pilot] projects relating to the following areas:

(1) WATERSHED MANAGEMENT OF WET WEATHER DISCHARGES.—The management of municipal combined sewer overflows, sanitary sewer overflows, and stormwater discharges, on an integrated watershed or subwatershed basis for the purpose of demonstrating the effectiveness of a unified wet weather approach.

(2) STORMWATER BEST MANAGEMENT PRACTICES.—The control of pollutants from municipal separate storm sewer systems for the purpose of demonstrating and determining controls that are cost-effective and that use innovative technologies to manage, reduce, treat, recapture, or reuse municipal stormwater, including techniques that utilize infiltration, evapotranspiration, and reuse of stormwater onsite.

(3) WATERSHED PARTNERSHIPS.—Efforts of municipalities and property owners to demonstrate cooperative ways to address nonpoint sources of pollution to reduce adverse impacts on water quality.

(4) INTEGRATED WATER RESOURCE PLAN.—The development of an integrated water resource plan for the coordinated management and protection of surface water, ground water, and stormwater resources on a watershed or subwatershed basis to meet the objectives, goals, and policies of this Act.

(5) MUNICIPALITY-WIDE STORMWATER MANAGEMENT PLANNING.—The development of a municipality-wide plan that identifies the most effective placement of stormwater technologies

and management approaches, to reduce water quality impairments from stormwater on a municipality-wide basis.

[(6) INCREASED RESILIENCE OF TREATMENT WORKS.—Efforts to assess future risks and vulnerabilities of publicly owned treatment works to manmade or natural disasters, including extreme weather events and sea-level rise, and to carry out measures, on a systemwide or area-wide basis, to increase the resiliency of publicly owned treatment works.]

(6) INCREASED RESILIENCE OF TREATMENT WORKS.—Efforts—

(A) to assess future risks and vulnerabilities of publicly owned treatment works to manmade or natural disasters, including extreme weather events, drought, and sea level rise; and

(B) to carry out the planning, design, or construction of projects, on a systemwide or areawide basis, to increase the resilience of publicly owned treatment works through—

(i) the conservation of water or the enhancement of water use efficiency;

(ii) the enhancement of wastewater (including stormwater) management by increasing watershed preservation and protection, including through—

(I) the use of green infrastructure; or

(II) the reclamation and reuse of wastewater (including stormwater), such as through aquifer recharge zones;

(iii) the modification or relocation of an existing publicly owned treatment works at risk of being significantly impaired or damaged by a manmade or natural disaster;

(iv) the enhancement of energy efficiency, or the use or generation of recovered or renewable energy, in the management, treatment, or conveyance of wastewater (including stormwater); or

(v) other activities that the Administrator determines will address identified vulnerabilities to manmade or natural disasters, including activities to address cybersecurity vulnerabilities of publicly owned treatment works.

(b) ADMINISTRATION.—The Administrator, in coordination with the States, shall provide municipalities participating in a [pilot] project under this section the ability to engage in innovative practices, including the ability to unify separate wet weather control efforts under a single permit.

[(c) REPORT TO CONGRESS.—Not later than October 1, 2015, the Administrator shall transmit to Congress a report on the results of the pilot projects conducted under this section and their possible application nationwide.]

(c) REQUIREMENTS.—The requirements of section 608 shall apply to any construction, alteration, maintenance, or repair of treatment works carried out using a grant under this section.

(d) ASSISTANCE.—The Administrator shall use not less than 15 percent of the amounts appropriated pursuant to this section in a fiscal year to provide assistance to municipalities with a population of less than 10,000, or for economically disadvantaged communities (as defined in section 20 of the Water Quality Protection and Job

Creation Act of 2021), to the extent there are sufficient eligible applications.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $200,000,000 for each of fiscal years 2022 through 2026.

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TITLE II—GRANTS FOR CONSTRUCTION OF TREATMENT WORKS

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FEDERAL SHARE

SEC. 202. (a)(1) The amount of any grant for treatment works made under this Act from funds authorized for any fiscal year beginning after June 30, 1971, and ending before October 1, 1984, shall be 75 per centum of the cost of construction thereof (as approved by the Administrator), and for any fiscal year beginning on or after October 1, 1984, shall be 55 per centum of the cost of construction thereof (as approved by the Administrator), unless modified to a lower percentage rate uniform throughout a State by the Governor of that State with the concurrence of the Administrator. Within ninety days after the enactment of this sentence the Administrator shall issue guidelines for concurrence in any such modification, which shall provide for the consideration of the unobligated balance of sums allocated to the State under section 205 of this Act, the need for assistance under this title in such State, and the availability of State grant assistance to replace the Federal share reduced by such modification. The payment of any such reduced Federal share shall not constitute an obligation on the part of the United States or a claim on the part of any State or grantee to reimbursement for the portion of the Federal share reduced in any such State. Any grant (other than for reimbursement) made prior to the date of enactment of the Federal Water Pollution Control Act Amendments of 1972 from any funds authorized for any fiscal year beginning after June 30, 1971, shall, upon the request of the applicant, be increased to the applicable percentage under this section. Notwithstanding the first sentence of this paragraph, in any case where a primary, secondary, or advanced waste treatment facility or its related interceptors or a project for infiltration-in-flow correction has received a grant for erection, building, acquisition, alteration, remodeling, improvement, extension, or correction before October 1, 1984, all segments and phases of such facility, interceptors, and project for infiltration-in-flow correction shall be eligible for grants at 75 per centum of the cost of construction thereof for any grant made pursuant to a State obligation which obligation occurred before October 1, 1990. Notwithstanding the first sentence of this paragraph, in the case of a project for which an application for a grant under this title has been made to the Administrator before October 1, 1984, and which project is under judicial injunction on such date prohibiting its construction, such project shall be eligible for grants at 75 percent of the cost of construction thereof. Notwithstanding the first sentence of this paragraph, in the case of the Wyoming Valley Sanitary Authority project mandated by judicial order under a proceeding begun prior to October 1, 1984, and a

project for wastewater treatment for Altoona, Pennsylvania, such projects shall be eligible for grants at 75 percent of the cost of construction thereof.

(2) The amount of any grant made after September 30, 1978, and before October 1, 1981, for any eligible treatment works or significant portion thereof utilizing innovative or alternative wastewater treatment processes and techniques referred to in section 201(g)(5) shall be 85 per centum of the cost of construction thereof, unless modified by the Governor of the State with the concurrence of the Administrator to a percentage rate no less than 15 per centum greater than the modified uniform percentage rate in which the Administrator has concurred pursuant to paragraph (1) of this subsection. The amount of any grant made after September 30, 1981, for any eligible treatment works or unit processes and techniques thereof utilizing innovative or alternative wastewater treatment processes and techniques referred to in section 201(g)(5) shall be a percentage of the cost of construction thereof equal to 20 per centum greater than the percentage in effect under paragraph (1) of this subsection for such works or unit processes and techniques, but in no event greater than 85 per centum of the cost of construction thereof. No grant shall be made under this paragraph for construction of a treatment works in any State unless the proportion of the State contribution to the non-Federal share of construction costs for all treatment works in such State receiving a grant under this paragraph is the same as or greater than the proportion of the State contribution (if any) to the non-Federal share of construction costs for all treatment works receiving grants in such State under paragraph (1) of this subsection.

(3) In addition to any grant made pursuant to paragraph (2) of this subsection, the Administrator is authorized to make a grant to fund all of the costs of the modification or replacement of any facilities constructed with a grant made pursuant to paragraph (2) if the Administrator finds that such facilities have not met design performance specifications unless such failure is attributable to negligence on the part of any person and if such failure has significantly increased capital or operating and maintenance expenditures. In addition, the Administrator is authorized to make a grant to fund all of the costs of the modification or replacement of biodisc equipment (rotating biological contactors) in any publicly owned treatment works if the Administrator finds that such equipment has failed to meet design performance specifications, unless such failure is attributable to negligence on the part of any person, and if such failure has significantly increased capital or operating and maintenance expenditures.

(4) For the purposes of this section, the term "eligible treatment works" means those treatment works in each State which meet the requirements of section 201(g)(5) of this Act and which can be fully funded from funds available for such purpose in such State.

(5) Notwithstanding any other provision of this subsection, in the case of a project for a treatment works in the District of Columbia, such a project shall be eligible for grants at 100 percent of the cost of construction thereof.

(b) The amount of the grant for any project approved by the Administrator after January 1, 1971, and before July 1, 1971, for the construction of treatment works, the actual erection, building or ac-

quisition of which was not commenced prior to July 1, 1971, shall, upon the request of the applicant, be increased to the applicable percentage under subsection (a) of this section for grants for treatment works from funds for fiscal years beginning after June 30, 1971, with respect to the cost of such actual erection, building, or acquisition. Such increased amount shall be paid from any funds allocated to the State in which the treatment works is located without regard to the fiscal year for which such funds were authorized. Such increased amount shall be paid for such project only if—

(1) a sewage collection system that is a part of the same total waste treatment system as the treatment works for which such grant was approved is under construction or is to be constructed for use in conjunction with such treatment works, and if the cost of such sewage collection system exceeds the cost of such treatment works, and

(2) the State water pollution control agency or other appropriate State authority certifies that the quantity of available ground water will be insufficient, inadequate, or unsuitable for public use, including the ecological preservation and recreational use of surface water bodies, unless effluents from publicly-owned treatment works after adequate treatment are returned to the ground water consistent with acceptable technological standards.

(c) Notwithstanding any other provision of law, sums allotted to the Commonwealth of Puerto Rico under section 205 of this Act for fiscal year 1981 shall remain available for obligation for the fiscal year for which authorized and for the period of the next succeeding twenty-four months. Such sums and any unobligated funds available to Puerto Rico from allotments for fiscal years ending prior to October 1, 1981, shall be available for obligation by the Administrator of the Environmental Protection Agency only to fund the following systems: Aguadilla, Arecibo, Mayaguez, Carolina, and Camuy Hatillo. These funds may be used by the Commonwealth of Puerto Rico to fund the non-Federal share of the costs of such projects. To the extent that these funds are used to pay the non-Federal share, the Commonwealth of Puerto Rico shall repay to the Environmental Protection Agency such amounts on terms and conditions developed and approved by the Administrator in consultation with the Governor of the Commonwealth of Puerto Rico. Agreement on such terms and conditions, including the payment of interest to be determined by the Secretary of the Treasury, shall be reached prior to the use of these funds for the Commonwealth's non-Federal share. No Federal funds awarded under this provision shall be used to replace local governments funds previously expended on these projects.

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SEC. 220. PILOT PROGRAM FOR ALTERNATIVE WATER SOURCE PROJECTS.

(a) POLICY.—Nothing in this section shall be construed to affect the application of section 101(g) of this Act and all of the provisions of this section shall be carried out in accordance with the provisions of section 101(g).

(b) IN GENERAL.—The Administrator may establish a pilot program to make grants to State, interstate, and intrastate water re-

source development agencies (including water management districts and water supply authorities), local government agencies, private utilities, and nonprofit entities for alternative water source projects to meet critical water supply needs.

(c) ELIGIBLE ENTITY.—The Administrator may make grants under this section to an entity only if the entity has authority under State law to develop or provide water for municipal, industrial, and agricultural uses in an area of the State that is experiencing critical water supply needs.

(d) SELECTION OF PROJECTS.—

[(1) LIMITATION.—A project that has received funds under the reclamation and reuse program conducted under the Reclamation Projects Authorization and Adjustment Act of 1992 (43 U.S.C. 390h et seq.) shall not be eligible for grant assistance under this section.

[(2) ADDITIONAL CONSIDERATION.—In making grants under this section, the Administrator shall consider whether the project is located within the boundaries of a State or area referred to in section 1 of the Reclamation Act of June 17, 1902 (32 Stat. 385), and within the geographic scope of the reclamation and reuse program conducted under the Reclamation Projects Authorization and Adjustment Act of 1992 (43 U.S.C. 390h et seq.).]

(1) LIMITATION ON ELIGIBILITY.—A project that has received construction funds under the Reclamation Projects Authorization and Adjustment Act of 1992 shall not be eligible for grant assistance under this section.

[(3)] *(2)* GEOGRAPHICAL DISTRIBUTION.—Alternative water source projects selected by the Administrator under this section shall reflect a variety of geographical and environmental conditions.

[(e) COMMITTEE RESOLUTION PROCEDURE.—

[(1) IN GENERAL.—No appropriation shall be made for any alternative water source project under this section, the total Federal cost of which exceeds $3,000,000, if such project has not been approved by a resolution adopted by the Committee on Transportation and Infrastructure of the House of Representatives or the Committee on Environment and Public Works of the Senate.

[(2) REQUIREMENTS FOR SECURING CONSIDERATION.—For purposes of securing consideration of approval under paragraph (1), the Administrator shall provide to a committee referred to in paragraph (1) such information as the committee requests and the non-Federal sponsor shall provide to the committee information on the costs and relative needs for the alternative water source project.]

(e) ASSISTANCE.—The Administrator shall use not less than 15 percent of the amounts appropriated pursuant to this section in a fiscal year to provide assistance to eligible entities for projects designed to serve fewer than 10,000 individuals, to the extent there are sufficient eligible applications.

(f) USES OF GRANTS.—Amounts from grants received under this section may be used for engineering, design, construction, and final testing of alternative water source projects designed to meet critical water supply needs. Such amounts may not be used for plan-

ning, feasibility studies or for operation, maintenance, replacement, repair, or rehabilitation.

(g) COST SHARING.—The Federal share of the eligible costs of an alternative water source project carried out using assistance made available under this section shall not exceed 50 percent.

(h) REPORTS.—On or before September 30, 2004, the Administrator shall transmit to Congress a report on the results of the pilot program established under this section, including progress made toward meeting the critical water supply needs of the participants in the pilot program.

(i) REQUIREMENTS.—The requirements of section 608 shall apply to any construction of an alternative water source project carried out using assistance made available under this section.

[(i)**]** *(j)* DEFINITIONS.—In this section, the following definitions apply:

(1) ALTERNATIVE WATER SOURCE PROJECT.—The term "alternative water source project" means a project designed to provide municipal, industrial, and agricultural water supplies in an environmentally sustainable manner by conserving, managing, reclaiming, or reusing water or wastewater **[**or by treating wastewater**]** *(including stormwater), or by treating wastewater (including stormwater) for groundwater recharge, potable reuse, or other purposes*. Such term does not include water treatment or distribution facilities.

(2) CRITICAL WATER SUPPLY NEEDS.—The term "critical water supply needs" means existing or reasonably anticipated future water supply needs that cannot be met by existing water supplies, as identified in a comprehensive statewide or regional water supply plan or assessment projected over a planning period of at least 20 years.

[(j)**]** *(k)* AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section **[**a total of $75,000,000 for fiscal years 2002 through 2004**]** *$200,000,000 for each of fiscal years 2022 through 2026*. Such sums shall remain available until expended.

SEC. 221. SEWER OVERFLOW AND STORMWATER REUSE MUNICIPAL GRANTS.

(a) IN GENERAL.—

(1) GRANTS TO STATES.—The Administrator may make grants to States for the purpose of providing grants to a municipality or municipal entity for planning, design, and construction of—

(A) treatment works to intercept, transport, control, treat, or reuse municipal combined sewer overflows, sanitary sewer overflows, or stormwater; and

(B) any other measures to manage, reduce, treat, or recapture stormwater or subsurface drainage water eligible for assistance under section 603(c).

(2) DIRECT MUNICIPAL GRANTS.—Subject to subsection (g), the Administrator may make a direct grant to a municipality or municipal entity for the purposes described in paragraph (1).

(b) PRIORITIZATION.—In selecting from among municipalities applying for grants under subsection (a), a State or the Administrator shall give priority to an applicant that—

(1) is a municipality that is a financially distressed community under subsection (c);

(2) has implemented or is complying with an implementation schedule for the nine minimum controls specified in the CSO control policy referred to in section 402(q)(1) and has begun implementing a long-term municipal combined sewer overflow control plan or a separate sanitary sewer overflow control plan;

(3) is requesting a grant for a project that is on a State's intended use plan pursuant to section 606(c); or

(4) is an Alaska Native Village.

(c) FINANCIALLY DISTRESSED COMMUNITY.—

(1) DEFINITION.—In [subsection (b),] *this section,* the term "financially distressed community" means a community that meets affordability criteria established by the State in which the community is located, if such criteria are developed after public review and comment.

(2) CONSIDERATION OF IMPACT ON WATER AND SEWER RATES.—In determining if a community is a distressed community for the purposes of [subsection (b),] *this section,* the State shall consider, among other factors, the extent to which the rate of growth of a community's tax base has been historically slow such that implementing a plan described in subsection (b)(2) would result in a significant increase in any water or sewer rate charged by the community's publicly owned wastewater treatment facility.

(3) INFORMATION TO ASSIST STATES.—The Administrator may publish information to assist States in establishing affordability criteria under paragraph (1).

(d) COST-SHARING.—[The Federal share]

(1) *FEDERAL SHARE.—*

(A) *IN GENERAL.—Except as provided in subparagraph (B), the Federal share* of the cost of activities carried out using amounts from a grant made under subsection (a) shall be not less than 55 percent of the cost.[The non-Federal share]

(B) FINANCIALLY DISTRESSED COMMUNITIES.—The Federal share of the cost of activities carried out using amounts from a grant made to a financially distressed community under subsection (a) shall be not less than 75 percent of the cost.

(2) *NON-FEDERAL SHARE.—The non-Federal share* of the cost may include, in any amount, public and private funds and in-kind services, and may include, notwithstanding section 603(h), financial assistance, including loans, from a State water pollution control revolving fund.

(e) ADMINISTRATIVE REQUIREMENTS.—A project that receives assistance under this section shall be carried out subject to the same requirements as a project that receives assistance from a State water pollution control revolving fund under title VI, except to the extent that the Governor of the State in which the project is located determines that a requirement of title VI is inconsistent with the purposes of this section. For the purposes of this subsection, a Governor may not determine that the requirements of title VI relating to the application of [section 513] *section 513, or the requirements of section 608,* are inconsistent with the purposes of this section.

(f) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated to carry out this section $225,000,000 for each of fiscal years 2019 through 2020*, and $400,000,000 for each of fiscal years 2022 through 2026*.

(2) MINIMUM ALLOCATIONS.—To the extent there are sufficient eligible project applications, the Administrator shall ensure that a State uses not less than 20 percent of the amount of the grants made to the State under subsection (a) in a fiscal year to carry out projects to intercept, transport, control, treat, or reuse municipal combined sewer overflows, sanitary sewer overflows, or stormwater through the use of green infrastructure, water and energy efficiency improvements, and other environmentally innovative activities.

(3) ASSISTANCE.—In carrying out subsection (a), the Administrator shall ensure that, of the amounts granted to municipalities in a State, not less than 20 percent is granted to municipalities with a population of less than 20,000, to the extent there are sufficient eligible applications.

(g) ALLOCATION OF FUNDS.—

(1) FISCAL YEAR 2019.—Subject to subsection (h), the Administrator shall use the amounts appropriated to carry out this section for fiscal year 2019 for making grants to municipalities and municipal entities under subsection (a)(2) in accordance with the criteria set forth in subsection (b).

(2) FISCAL YEAR 2020 AND THEREAFTER.—Subject to subsection (h), the Administrator shall use the amounts appropriated to carry out this section for fiscal year 2020 and each fiscal year thereafter for making grants to States under subsection (a)(1) in accordance with a formula to be established by the Administrator, after providing notice and an opportunity for public comment, that allocates to each State a proportional share of such amounts based on the total needs of the State for municipal combined sewer overflow controls, sanitary sewer overflow controls, and stormwater identified in the most recent detailed estimate and comprehensive study submitted pursuant to section 516 and any other information the Administrator considers appropriate.

(h) ADMINISTRATIVE EXPENSES.—Of the amounts appropriated to carry out this section for each fiscal year—

(1) the Administrator may retain an amount not to exceed 1 percent for the reasonable and necessary costs of administering this section; and

(2) the Administrator, or a State, may retain an amount not to exceed 4 percent of any grant made to a municipality or municipal entity under subsection (a), for the reasonable and necessary costs of administering the grant.

(i) REPORTS.—Not later than December 31, 2003, and periodically thereafter, the Administrator shall transmit to Congress a report containing recommended funding levels for grants under this section. The recommended funding levels shall be sufficient to ensure the continued expeditious implementation of municipal combined sewer overflow and sanitary sewer overflow controls nationwide.

SEC. 222. EMERGING CONTAMINANTS.

(a) IN GENERAL.—The Administrator shall award grants to owners of publicly owned treatment works to be used for the implemen-

tation of a pretreatment standard or effluent limitation developed pursuant to this Act for the introduction into a treatment works, or the discharge of, any pollutant that is a perfluoroalkyl or polyfluoroalkyl substance or any pollutant identified by the Administrator as a contaminant of emerging concern.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $200,000,000 for each of fiscal years 2022 through 2026.

SEC. 223. HOUSEHOLD WASTEWATER GRANT PROGRAM.

(a) ESTABLISHMENT.—The Administrator shall establish a program to provide grants to municipalities or qualified nonprofit entities to provide assistance to eligible individuals—

(1) for the construction, repair, or replacement of an individual household decentralized wastewater treatment system;

(2) for the construction of a decentralized wastewater treatment system designed to provide wastewater treatment for 2 or more households in which eligible individuals reside, if—

(A) such a decentralized wastewater treatment system could be cost-effectively constructed; and

(B) site conditions at such households are unsuitable for the construction of an individual household decentralized wastewater treatment system; or

(3) in a case in which an eligible individual resides in a household that could be cost-effectively connected to an available publicly owned treatment works, for the connection of the applicable household to such treatment works.

(b) APPLICATION.—To be eligible to receive a grant under this subsection, a municipality or qualified nonprofit entity shall submit to the Administrator an application at such time, in such manner, and containing such information as the Administrator determines to be appropriate.

(c) PRIORITY.—In providing grants under this section, the Administrator shall, to the maximum extent practicable, prioritize applications for activities that will assist eligible individuals residing in households that are not connected to a system or technology designed to treat domestic sewage, including eligible individuals using household cesspools.

(d) ADMINISTRATIVE EXPENSES.—

(1) IN GENERAL.—Of the amounts made available under subsection (h), the Administrator may use not more than 2 percent for administrative costs.

(2) INDIVIDUAL GRANTS.—A municipality or qualified nonprofit entity may use grant funds provided under this section to pay the administrative expenses associated with the provision of the assistance to eligible individuals under this section, as the Administrator determines to be appropriate.

(e) REPORT.—Not later than 2 years after the date of enactment of this section, the Administrator shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report describing the recipients of grants and assistance under this section and the results of the program established under this section.

(f) APPLICATION OF OTHER REQUIREMENTS.—The requirements of sections 513 and 608 shall apply to any project for the construction,

repair, or replacement of a decentralized wastewater treatment system, or for the connection of a household to a treatment works, for which assistance is received under this section.

(g) DEFINITIONS.—In this section:

(1) ELIGIBLE INDIVIDUAL.—The term "eligible individual" has the meaning given that term in section 603(j).

(2) QUALIFIED NONPROFIT ENTITY.—The term "qualified nonprofit entity" means an entity determined by the Administrator to be a qualified nonprofit entity for purposes of section 603(c)(12).

(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Administrator to carry out this section $50,000,000 for each of fiscal years 2022 through 2026.

SEC. 224. SMART WASTEWATER INFRASTRUCTURE TECHNOLOGY GRANT PROGRAM.

(a) GRANTS.—The Administrator shall establish a program to provide grants to municipalities for projects for the planning, design, and construction, at publicly owned treatment works, of—

(1) intelligent sewage or stormwater collection systems, including such collection systems that incorporate technologies that rely on—

(A) real-time monitoring (including through sensors), embedded intelligence, and predictive maintenance capabilities that improve the energy efficiency, reliability, and resiliency of treatment works; and

(B) the use of artificial intelligence and other intelligent optimization tools that reduce operational costs, including operational costs relating to energy consumption and chemical treatment; or

(2) innovative and alternative combined storm and sanitary sewer projects, including groundwater recharge, that rely on real-time data acquisition to support predictive aquifer recharge through water reuse and stormwater management capabilities.

(b) ASSISTANCE.—The Administrator shall use not less than 20 percent of the amounts appropriated pursuant to this section in a fiscal year to provide assistance to municipalities with a population of less than 10,000, to the extent there are sufficient eligible applications.

(c) COST SHARE.—

(1) IN GENERAL.—The non-Federal share of the costs of an activity carried out using a grant under this section shall be 25 percent.

(2) EXCEPTION.—The Administrator may waive the cost-sharing requirement of paragraph (1) if the Administrator determines that the municipality meets the affordability criteria established under section 603(i)(2) by the State in which the municipality is located.

(d) PROGRAM IMPLEMENTATION.—

(1) GUIDANCE.—Not later than 30 days after the date of enactment of this section, the Administrator shall issue guidance to municipalities on how to apply for a grant under this section.

(2) DECISION ON APPLICATIONS.—Not later than 30 days after the date on which the Administrator receives an application for a grant under this section, the Administrator shall determine whether to provide such grant.

(3) APPLICATION DEFICIENCY.—If the Administrator determines that an application for a grant under this section is incomplete, the Administrator shall notify the applicant and provide the applicant the opportunity to resubmit the application.

(4) CONSIDERATION.—In determining whether to provide a grant under this section, the Administrator shall consider the potential positive effects of the project on water quality.

(e) COMPLIANCE WITH BUY AMERICA.—The requirements of section 608 shall apply to any project for construction for which assistance is received under this section.

(f) REPORT TO CONGRESS.—Not later than 180 days after the date of enactment of this section, and annually thereafter, the Administrator shall submit to Congress a report describing projects funded under this section, any related improvement of the resiliency of publicly owned treatment works, and recommendations to improve the grant program established under this section.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $500,000,000 to carry out this section, to remain available until expended.

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TITLE V—GENERAL PROVISIONS

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REPORTS TO CONGRESS

SEC. 516. (a) Within ninety days following the convening of each session of Congress, the Administrator shall submit to the Congress a report, in addition to any other report required by this Act, on measures taken toward implementing the objective of this Act, including, but not limited to, (1) the progress and problems associated with developing comprehensive plans under section 102 of this Act, areawide plans under section 208 of this Act, basin plans under section 209 of this Act, and plans under section 303 (e) of this Act; (2) a summary of actions taken and results achieved in the field of water pollution control research, experiments, studies, and related matters by the Administrator and other Federal agencies and by other persons and agencies under Federal grants or contracts; (3) the progress and problems associated with the development of effluent limitations and recommended control techniques; (4) the status of State programs, including a detailed summary of the progress obtained as compared to that planned under State program plans for development and enforcement of water quality requirements; (5) the identification and status of enforcement actions pending or completed under such Act during the preceding year; (6) the status of State, interstate, and local pollution control programs established pursuant to, and assisted by, this Act; (7) a summary of the results of the survey required to be taken under section 210 of this Act; (8) his activities including recommendations under sections 109 through 111 of this Act; and (9) all reports and recommendations made by the Water Pollution Control Advisory Board.

(b)(1) The Administrator, in cooperation with the States, including water pollution control agencies and other water pollution control planning agencies, shall make (A) a detailed estimate of the

cost of carrying out the provisions of this Act;[(B) a detailed estimate, biennially revised, of the cost of construction of all needed publicly owned treatment works in all of the States and of the cost of construction of all needed publicly owned treatment works in each of the States;] *(B) a detailed estimate, biennially revised, of the cost of construction of all planned publicly owned treatment works in all of the States and all needed publicly owned treatment works in all of the States, and the cost of construction of all planned publicly owned treatment works in each of the States and all needed publicly owned treatment works in each of the States, which estimates shall include (i) the cost of construction to rehabilitate or upgrade all existing publicly owned treatment works (excluding any pipe or other device or system for the conveyance of wastewater), every 20 years, including the costs to implement measures necessary to address the resilience and sustainability of publicly owned treatment works to manmade or natural disasters, and (ii) the cost of construction to replace 10 percent of existing publicly owned pipes and other devices and systems for the conveyance of wastewater to such treatment works over the 20-year period following the date of the estimate;* (C) a comprehensive study of the economic impact on affected units of government of the cost of installation of treatment facilities; and (D) a comprehensive analysis of the national requirements for and the cost of treating municipal, industrial, and other effluent to attain the water quality objectives as established by this Act or applicable State law. The Administrator shall submit such detailed estimate and such comprehensive study of such cost to the Congress no later than February 10 of each odd-numbered year. Whenever the Administrator, pursuant to this subsection, requests and receives an estimate of cost from a State, he shall furnish copies of such estimate together with such detailed estimate to Congress.

(2) Notwithstanding the second sentence of paragraph (1) of this subsection, the Administrator shall make a preliminary detailed estimate called for by subparagraph (B) of such paragraph and shall submit such preliminary detailed estimate to the Congress no later than September 3, 1974. The Administrator shall require each State to prepare an estimate of cost for such State, and shall utilize the survey form EPA-1, O.M.B. No. 158-R0017, prepared for the 1973 detailed estimate, except that such estimate shall include all costs of compliance with section 201(g)(2)(A) of this Act and water quality standards established pursuant to section 303 of this Act, and all costs of treatment works as defined in section 212(2), including all eligible costs of constructing sewage collection systems and correcting excessive infiltration or inflow and all eligible costs of correcting combined storm and sanitary sewer problems and treating storm water flows. The survey form shall be distributed by the Administrator to each State no later than January 31, 1974.

(c) The Administrator shall submit to the Congress by October 1, 1978, a report on the status of combined sewer overflows in municipal treatment works operations. The report shall include (1) the status of any projects funded under this Act to address combined sewer overflows (2) a listing by State of combined sewer overflow needs identified in the 1977 State priority listings, (3) an estimate for each applicable municipality of the number of years necessary, assuming an annual authorization and appropriation for the con-

struction grants program of $5,000,000,000, to correct combined sewer overflow problems, (4) an analysis using representative municipalities faced with major combined sewer overflow needs, of the annual discharges of pollutants from overflows in comparison to treated effluent discharges, (5) an analysis of the technological alternatives available to municipalities to correct major combined sewer overflow problems, and (6) any recommendations of the Administrator for legislation to address the problem of combined sewer overflows, including whether a separate authorization and grant program should be established by the Congress to address combined sewer overflows.

(d) The Administrator, in cooperation with the States, including water pollution control agencies, and other water pollution control planning agencies, and water supply and water resources agencies of the States and the United States shall submit to Congress, within two years of the date of enactment of this section, a report with recommendations for legislation on a program to require coordination between water supply and wastewater control plans as a condition to grants for construction of treatment works under this Act. No such report shall be submitted except after opportunity for public hearings on such proposed report.

(e) STATE REVOLVING FUND REPORT.—

(1) IN GENERAL.—Not later than February 10, 1990, the Administrator shall submit to Congress a report on the financial status and operations of water pollution control revolving funds established by the States under title VI of this Act. The Administrator shall prepare such report in cooperation with the States, including water pollution control agencies and other water pollution control planning and financing agencies.

(2) CONTENTS.—The report under this subsection shall also include the following:

(A) an inventory of the facilities that are in significant noncompliance with the enforceable requirements of this Act;

(B) an estimate of the cost of construction necessary to bring such facilities into compliance with such requirements;

(C) an assessment of the availability of sources of funds for financing such needed construction, including an estimate of the amount of funds available for providing assistance for such construction through September 30, 1999, from the water pollution control revolving funds established by the States under title VI of this Act;

(D) an assessment of the operations, loan portfolio, and loan conditions of such revolving funds;

(E) an assessment of the effect on user charges of the assistance provided by such revolving funds compared to the assistance provided with funds appropriated pursuant to section 207 of this Act; and

(F) an assessment of the efficiency of the operation and maintenance of treatment works constructed with assistance provided by such revolving funds compared to the efficiency of the operation and maintenance of treatment works constructed with assistance provided under section 201 of this Act.

(f) ANNUAL REPORT ON USE OF FUNDS.—Not later than 18 months after the date of enactment of this subsection, and annually thereafter, the Administrator shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate a report that—

(1) identifies projects that are—

(A) described in clause (i) or (ii) of section 602(b)(15)(A); and

(B) carried out using funds made available under or pursuant to section 221 or title VI; and

(2) identifies, to the extent practicable, the costs and benefits of such projects, including any potential short- and long-term cost savings to publicly owned treatment works and any environmental and community benefits of implementing such projects.

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SEC. 518. INDIAN TRIBES.

(a) POLICY.—Nothing in this section shall be construed to affect the application of section 101(g) of this Act, and all of the provisions of this section shall be carried out in accordance with the provisions of such section 101(g). Indian tribes shall be treated as States for purposes of such section 101(g).

(b) ASSESSMENT OF SEWAGE TREATMENT NEEDS; REPORT.—The Administrator, in cooperation with the Director of the Indian Health Service, shall assess the need for sewage treatment works to serve Indian tribes, the degree to which such needs will be met through funds allotted to States under section 205 of this Act and priority lists under section 216 of this Act, and any obstacles which prevent such needs from being met. Not later than one year after the date of the enactment of this section, the Administrator shall submit a report to Congress on the assessment under this subsection, along with recommendations specifying (1) how the Administrator intends to provide assistance to Indian tribes to develop waste treatment management plans and to construct treatment works under this Act, and (2) methods by which the participation in and administration of programs under this Act by Indian tribes can be maximized.

(c) RESERVATION OF FUNDS.—

[(1) FISCAL YEARS 1987–2014.—The Administrator shall reserve each of fiscal years 1987 through 2014, before allotments to the States under section 205(e), one-half of one percent of the sums appropriated under section 207.

[(2) FISCAL YEAR 2015 AND THEREAFTER.—For fiscal year 2015 and each fiscal year thereafter, the Administrator shall reserve, before allotments to the States under section 604(a), not less than 0.5 percent and not more than 2.0 percent of the funds made available to carry out title VI.]

(1) IN GENERAL.—For each fiscal year, the Administrator shall reserve, of the funds made available to carry out title VI (before allotments to the States under section 604(a)), the greater of—

(A) 2 percent of such funds; or

(B) $30,000,000.

(2) USE OF FUNDS.—

(A) GRANTS.—Funds reserved under this subsection shall be available only for grants to entities described in paragraph (3) for—

(i) projects and activities eligible for assistance under section 603(c); and

(ii) training, technical assistance, and educational programs relating to the operation and management of treatment works eligible for assistance pursuant to section 603(c).

(B) LIMITATION.—Not more than $2,000,000 of such reserved funds may be used for grants under subparagraph (A)(ii).

(3) [USE OF FUNDS] *ELIGIBLE ENTITIES*.—Funds reserved under this subsection shall be available only for grants [for projects and activities eligible for assistance under section 603(c) to serve] *to*—

(A) Indian tribes (as defined in subsection (h));

(B) former Indian reservations in Oklahoma (as determined by the Secretary of the Interior); and

(C) Native villages (as defined in section 3 of the Alaska Native Claims Settlement Act (43 U.S.C. 1602)).

(d) COOPERATIVE AGREEMENTS.—In order to ensure the consistent implementation of the requirements of this Act, an Indian tribe and the State or States in which the lands of such tribe are located may enter into a cooperative agreement, subject to the review and approval of the Administrator, to jointly plan and administer the requirements of this Act.

(e) TREATMENT AS STATES.—The Administrator is authorized to treat an Indian tribe as a State for purposes of title II and sections 104, 106, 303, 305, 308, 309, 314, 319, 401, 402, 404, and 406 of this Act to the degree necessary to carry out the objectives of this section, but only if—

(1) the Indian tribe has a governing body carrying out substantial governmental duties and powers;

(2) the functions to be exercised by the Indian tribe pertain to the management and protection of water resources which are held by an Indian tribe, held by the United States in trust for Indians, held by a member of an Indian tribe if such property interest is subject to a trust restriction on alienation, or otherwise within the borders of an Indian reservation; and

(3) the Indian tribe is reasonably expected to be capable, in the Administrator's judgment, of carrying out the functions to be exercised in a manner consistent with the terms and purposes of this Act and of all applicable regulations.

Such treatment as a State may include the direct provision of funds reserved under subsection (c) to the governing bodies of Indian tribes, and the determination of priorities by Indian tribes, where not determined by the Administrator in cooperation with the Director of the Indian Health Service. The Administrator, in cooperation with the Director of the Indian Health Service, is authorized to make grants under title II of this Act in an amount not to exceed 100 percent of the cost of a project. Not later than 18 months after the date of the enactment of this section, the Administrator shall, in consultation with Indian tribes, promulgate final

regulations which specify how Indian tribes shall be treated as States for purposes of this Act. The Administrator shall, in promulgating such regulations, consult affected States sharing common water bodies and provide a mechanism for the resolution of any unreasonable consequences that may arise as a result of differing water quality standards that may be set by States and Indian tribes located on common bodies of water. Such mechanism shall provide for explicit consideration of relevant factors including, but not limited to, the effects of differing water quality permit requirements on upstream and downstream dischargers, economic impacts, and present and historical uses and quality of the waters subject to such standards. Such mechanism should provide for the avoidance of such unreasonable consequences in a manner consistent with the objective of this Act.

(f) GRANTS FOR NONPOINT SOURCE PROGRAMS.—The Administrator shall make grants to an Indian tribe under section 319 of this Act as though such tribe was a State. Not more than one-third of one percent of the amount appropriated for any fiscal year under section 319 may be used to make grants under this subsection. In addition to the requirements of section 319, an Indian tribe shall be required to meet the requirements of paragraphs (1), (2), and (3) of subsection (d) of this section in order to receive such a grant.

(g) ALASKA NATIVE ORGANIZATIONS.—No provision of this Act shall be construed to—

(1) grant, enlarge, or diminish, or in any way affect the scope of the governmental authority, if any, of any Alaska Native organization, including any federally-recognized tribe, traditional Alaska Native council, or Native council organized pursuant to the Act of June 18, 1934 (48 Stat. 987), over lands or persons in Alaska;

(2) create or validate any assertion by such organization or any form of governmental authority over lands or persons in Alaska; or

(3) in any way affect any assertion that Indian country, as defined in section 1151 of title 18, United States Code, exists or does not exist in Alaska.

(h) DEFINITIONS.—For purposes of this section, the term—

(1) "Federal Indian reservation" means all land within the limits of any Indian reservation under the jurisdiction of the United States Government, notwithstanding the issuance of any patent, and including rights-of-way running through the reservation; and

(2) "Indian tribe" means any Indian tribe, band, group, or community recognized by the Secretary of the Interior and exercising governmental authority over a Federal Indian reservation.

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TITLE VI—STATE WATER POLLUTION CONTROL REVOLVING FUNDS

* * * * * * *

SEC. 602. CAPITALIZATION GRANT AGREEMENTS.

(a) GENERAL RULE.—To receive a capitalization grant with funds made available under this title and section 205(m) of this Act, a

State shall enter into an agreement with the Administrator which shall include but not be limited to the specifications set forth in subsection (b) of this section.

(b) SPECIFIC REQUIREMENTS.—The Administrator shall enter into an agreement under this section with a State only after the State has established to the satisfaction of the Administrator that—

(1) the State will accept grant payments with funds to be made available under this title and section 205(m) of this Act in accordance with a payment schedule established jointly by the Administrator under section 601(b) of this Act and will deposit all such payments in the water pollution control revolving fund established by the State in accordance with this title;

(2) the State will deposit in the fund from State moneys an amount equal to at least 20 percent of the total amount of all capitalization grants which will be made to the State with funds to be made available under this title and section 205(m) of this Act on or before the date on which each quarterly grant payment will be made to the State under this title;

(3) the State will enter into binding commitments to provide assistance in accordance with the requirements of this title in an amount equal to 120 percent of the amount of each such grant payment within 1 year after the receipt of such grant payment;

(4) all funds in the fund will be expended in an expeditious and timely manner;

(5) all funds in the fund as a result of capitalization grants under this title and section 205(m) of this Act will first be used to assure maintenance of progress, as determined by the Governor of the State, toward compliance with enforceable deadlines, goals, and requirements of this Act, including the municipal compliance deadline;

(6) treatment works eligible under this Act which will be constructed in whole or in part with assistance made available by a State water pollution control revolving fund authorized under this title, or section 205(m) of this Act, or both, will meet the requirements of, or otherwise be treated (as determined by the Governor of the State) under sections 511(c)(1) and 513 of this Act in the same manner as treatment works constructed with assistance under title II of this Act;

(7) in addition to complying with the requirements of this title, the State will commit or expend each quarterly grant payment which it will receive under this title in accordance with laws and procedures applicable to the commitment or expenditure of revenues of the State;

(8) in carrying out the requirements of section 606 of this Act, the State will use accounting, audit, and fiscal procedures conforming to generally accepted government accounting standards;

(9) the State will require as a condition of making a loan or providing other assistance, as described in section 603(d) of this Act, from the fund that the recipient of such assistance will maintain project accounts in accordance with generally accepted government accounting standards, including standards relating to the reporting of infrastructure assets;

(10) the State will make annual reports to the Administrator on the actual use of funds in accordance with section 606(d) of this Act;

(11) the State will establish, maintain, invest, and credit the fund with repayments, such that the fund balance will be available in perpetuity for activities under this Act;

(12) any fees charged by the State to recipients of assistance that are considered program income will be used for the purpose of financing the cost of administering the fund or financing projects or activities eligible for assistance from the fund;

(13) beginning in fiscal year 2016, the State will require as a condition of providing assistance to a municipality or intermunicipal, interstate, or State agency that the recipient of such assistance certify, in a manner determined by the Governor of the State, that the recipient—

(A) has studied and evaluated the cost and effectiveness of the processes, materials, techniques, and technologies for carrying out the proposed project or activity for which assistance is sought under this title; and

(B) has selected, to the maximum extent practicable, a project or activity that maximizes the potential for efficient water use, reuse, recapture, and conservation, [and energy conservation] *and efficient energy use (including through the implementation of technologies to recover and reuse energy produced in the treatment of wastewater)*, taking into account—

(i) the cost of constructing the project or activity;

(ii) the cost of operating and maintaining the project or activity over the life of the project or activity; and

(iii) the cost of replacing the project or activity[; and]*;*

(14) a contract to be carried out using funds directly made available by a capitalization grant under this title for program management, construction management, feasibility studies, preliminary engineering, design, engineering, surveying, mapping, or architectural related services shall be negotiated in the same manner as a contract for architectural and engineering services is negotiated under chapter 11 of title 40, United States Code, or an equivalent State qualifications-based requirement (as determined by the Governor of the State)[.]*; and*

(15) to the extent there are sufficient projects or activities eligible for assistance from the fund, with respect to funds for capitalization grants received by the State under this title and section 205(m)—

(A) the State will use—

(i) not less than 15 percent of such funds for green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities; and

(ii) not less than 5 percent of such funds for projects to increase the resiliency of treatment works to extreme weather events, drought, sea level rise, or other impacts of climate change; and

(B) the State will use not less than a total of 20 percent of such funds for projects described in subparagraph (A).

(c) CORROSION CONTROL.—

(1) IN GENERAL.—To the greatest extent practicable, the Administrator shall encourage the incorporation of corrosion prevention activities in projects and activities carried out using financial assistance provided under or pursuant to this title.

(2) ACTIVITIES.—In carrying out paragraph (1), the Administrator, to the greatest extent practicable, shall ensure that any recipient of financial assistance under or pursuant to this title—

(A) carries out any project or activity using such assistance using, as applicable—

(i) best practices to carry out corrosion prevention activities in the field;

(ii) industry-recognized standards and corrosion mitigation and prevention methods when—

(I) determining protective coatings;

(II) selecting materials; and

(III) determining methods of cathodic protection, design, and engineering for corrosion prevention;

(iii) certified coating application specialists and cathodic protection technicians and engineers; and

(iv) best practices in environmental protection to prevent environmental degradation and to ensure proper handling of all hazardous materials; and

(B) demonstrates, as applicable—

(i) a history of employing industry-certified inspectors to ensure adherence to best practices and standards; and

(ii) a history of compliance with applicable requirements of the Occupational Safety and Health Administration.

(3) CORROSION PREVENTION ACTIVITIES DEFINED.—In this subsection, the term "corrosion prevention activities" means—

(A) the application and inspection of protective coatings for complex work involving steel and cementitious structures, including structures that will be exposed in immersion;

(B) the installation, testing, and inspection of cathodic protection systems; and

(C) any other activities related to corrosion prevention the Administrator determines appropriate.

SEC. 603. WATER POLLUTION CONTROL REVOLVING LOAN FUNDS.

(a) REQUIREMENTS FOR OBLIGATION OF GRANT FUNDS.—Before a State may receive a capitalization grant with funds made available under this title and section 205(m) of this Act, the State shall first establish a water pollution control revolving fund which complies with the requirements of this section.

(b) ADMINISTRATOR.—Each State water pollution control revolving fund shall be administered by an instrumentality of the State with such powers and limitations as may be required to operate such fund in accordance with the requirements and objectives of this Act.

(c) PROJECTS AND ACTIVITIES ELIGIBLE FOR ASSISTANCE.—The amounts of funds available to each State water pollution control revolving fund shall be used only for providing financial assistance—

(1) to any municipality or intermunicipal, interstate, or State agency for construction of publicly owned treatment works (as defined in section 212);

(2) for the implementation of a management program established under section 319;

(3) for development and implementation of a conservation and management plan under section 320;

(4) for the construction, repair, or replacement of decentralized wastewater treatment systems that treat municipal wastewater or domestic sewage;

(5) for measures to manage, reduce, treat, or recapture stormwater or subsurface drainage water;

(6) to any municipality or intermunicipal, interstate, or State agency for measures to reduce the demand for publicly owned treatment works capacity through water conservation, efficiency, or reuse;

(7) for the development and implementation of [watershed] projects meeting the criteria set forth in section 122;

(8) to any municipality or intermunicipal, interstate, or State agency for measures to reduce the energy consumption needs for publicly owned treatment works;

(9) for reusing or recycling wastewater, stormwater, or subsurface drainage water;

(10) for measures to increase the security of publicly owned treatment works*, including measures to identify and address cybersecurity vulnerabilities of such treatment works*;

(11) to any qualified nonprofit entity, as determined by the Administrator, to provide assistance to owners and operators of small and medium publicly owned treatment works—

(A) to plan, develop, and obtain financing for eligible projects under this subsection, including planning, design, and associated preconstruction activities; and

(B) to assist such treatment works in achieving compliance with this Act; and

(12) to any qualified nonprofit entity, as determined by the Administrator, to provide assistance to an eligible individual (as defined in subsection (j))—

(A) for the repair or replacement of existing individual household decentralized wastewater treatment systems; or

(B) in a case in which an eligible individual resides in a household that could be cost-effectively connected to an available publicly owned treatment works, for the connection of the applicable household to such treatment works.

(d) TYPES OF ASSISTANCE.—Except as otherwise limited by State law, a water pollution control revolving fund of a State under this section may be used only—

(1) to make loans, on the condition that—

(A) such loans are made at or below market interest rates, including interest free loans, at terms not to exceed the lesser of 30 years and the projected useful life (as determined by the State) of the project to be financed with the proceeds of the loan;

(B) annual principal and interest payments will commence not later than 1 year after completion of any project and all loans will be fully amortized upon the expiration of the term of the loan;

(C) the recipient of a loan will establish a dedicated source of revenue for repayment of loans;

(D) the fund will be credited with all payments of principal and interest on all loans; and

(E) for a treatment works proposed for repair, replacement, or expansion, and eligible for assistance under subsection (c)(1), the recipient of a loan shall—

(i) develop and implement a fiscal sustainability plan that includes—

(I) an inventory of critical assets that are a part of the treatment works;

(II) an evaluation of the condition and performance of inventoried assets or asset groupings;

(III) a certification that the recipient has evaluated and will be implementing water and energy conservation efforts as part of the plan; and

(IV) a plan for maintaining, repairing, and, as necessary, replacing the treatment works and a plan for funding such activities; or

(ii) certify that the recipient has developed and implemented a plan that meets the requirements under clause (i);

(2) to buy or refinance the debt obligation of municipalities and intermunicipal and interstate agencies within the State at or below market rates, where such debt obligations were incurred after March 7, 1985;

(3) to guarantee, or purchase insurance for, local obligations where such action would improve credit market access or reduce interest rates;

(4) as a source of revenue or security for the payment of principal and interest on revenue or general obligation bonds issued by the State if the proceeds of the sale of such bonds will be deposited in the fund;

(5) to provide loan guarantees for similar revolving funds established by municipalities or intermunicipal agencies;

(6) to earn interest on fund accounts; and

(7) for the reasonable costs of administering the fund and conducting activities under this title, except that such amounts shall not exceed 4 percent of all grant awards to such fund under this title, $400,000 per year, or ⅕ percent per year of the current valuation of the fund, whichever amount is greatest, plus the amount of any fees collected by the State for such purpose regardless of the source.

(e) LIMITATION TO PREVENT DOUBLE BENEFITS.—If a State makes, from its water pollution revolving fund, a loan which will finance the cost of facility planning and the preparation of plans, specifications, and estimates for construction of publicly owned treatment works, the State shall ensure that if the recipient of such loan receives a grant under section 201(g) of this Act for construction of such treatment works and an allowance under section 201(l)(1) of this Act for non-federal funds expended for such plan-

ning and preparation, such recipient will promptly repay such loan to the extent of such allowance.

(f) CONSISTENCY WITH PLANNING REQUIREMENTS.—A State may provide financial assistance from its water pollution control revolving fund only with respect to a project which is consistent with plans, if any, developed under sections 205(j), 208, 303(e), 319, and 320 of this Act.

(g) PRIORITY LIST REQUIREMENT.—The State may provide financial assistance from its water pollution control revolving fund only with respect to a project for construction of a treatment works described in subsection (c)(1) if such project is on the State's priority list under section 216 of this Act. Such assistance may be provided regardless of the rank of such project on such list.

(h) ELIGIBILITY OF NON-FEDERAL SHARE OF CONSTRUCTION GRANT PROJECTS.—A State water pollution control revolving fund may provide assistance (other than under subsection (d)(1) of this section) to a municipality or intermunicipal or interstate agency with respect to the non-Federal share of the costs of a treatment works project for which such municipality or agency is receiving assistance from the Administrator under any other authority only if such assistance is necessary to allow such project to proceed.

(i) ADDITIONAL SUBSIDIZATION.—

(1) IN GENERAL.—In any case in which a State provides assistance to an eligible recipient under subsection (d), the State may provide additional subsidization**[**, including forgiveness of principal and negative interest loans**]** *(including in the form of forgiveness of principal, negative interest loans, or grants)*—

(A) **[**in assistance**]** to a municipality or intermunicipal, interstate, or State agency to benefit a municipality that—

(i) meets the affordability criteria of the State established under paragraph (2); or

(ii) does not meet the affordability criteria of the State if the recipient—

(I) seeks additional subsidization to benefit individual ratepayers in the residential user rate class;

(II) demonstrates to the State that such ratepayers will experience a significant hardship from the increase in rates necessary to finance the project or activity for which assistance is sought; and

(III) ensures, as part of an assistance agreement between the State and the recipient, that the additional subsidization provided under this paragraph is directed through a user charge rate system (or other appropriate method) **[**to such ratepayers**]** *to help such ratepayers maintain access to wastewater (including stormwater) treatment services*; or

(B) to implement a process, material, technique, or technology—

(i) to address water-efficiency goals;

(ii) to address energy-efficiency goals;

(iii) to mitigate stormwater runoff; or

(iv) to encourage sustainable project planning, design, and construction.

(2) AFFORDABILITY CRITERIA.—

(A) ESTABLISHMENT.—

(i) IN GENERAL.—Not later than September 30, 2015, and after providing notice and an opportunity for public comment, a State shall establish affordability criteria to assist in identifying municipalities that would experience a significant hardship raising the revenue necessary to finance a project or activity eligible for assistance under subsection (c)(1) if additional subsidization is not provided.

(ii) CONTENTS.—The criteria under clause (i) shall be based on income and unemployment data, population trends, and other data determined relevant by the State, including whether the project or activity is to be carried out in an economically distressed area, as described in section 301 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3161).

(B) EXISTING CRITERIA.—If a State has previously established, after providing notice and an opportunity for public comment, affordability criteria that meet the requirements of subparagraph (A)—

(i) the State may use the criteria for the purposes of this subsection; and

(ii) those criteria shall be treated as affordability criteria established under this paragraph.

(C) INFORMATION TO ASSIST STATES.—The Administrator may publish information to assist States in establishing affordability criteria under subparagraph (A).

[(3) LIMITATIONS.—

[(A) IN GENERAL.—A State may provide additional subsidization in a fiscal year under this subsection only if the total amount appropriated for making capitalization grants to all States under this title for the fiscal year exceeds $1,000,000,000.

[(B) ADDITIONAL LIMITATION.—

[(i) GENERAL RULE.—Subject to clause (ii), a State may use not more than 30 percent of the total amount received by the State in capitalization grants under this title for a fiscal year for providing additional subsidization under this subsection.

[(ii) EXCEPTION.—If, in a fiscal year, the amount appropriated for making capitalization grants to all States under this title exceeds $1,000,000,000 by a percentage that is less than 30 percent, clause (i) shall be applied by substituting that percentage for 30 percent.

[(C) APPLICABILITY.—The authority of a State to provide additional subsidization under this subsection shall apply to amounts received by the State in capitalization grants under this title for fiscal years beginning after September 30, 2014.

[(D) CONSIDERATION.—If the State provides additional subsidization to a municipality or intermunicipal, inter-

state, or State agency under this subsection that meets the criteria under paragraph (1)(A), the State shall take the criteria set forth in section 602(b)(5) into consideration.]

(3) SUBSIDIZATION AMOUNTS.—

(A) IN GENERAL.—A State may use for providing additional subsidization in a fiscal year under this subsection an amount that does not exceed the greater of—

(i) 50 percent of the total amount received by the State in capitalization grants under this title for the fiscal year; or

(ii) the annual average over the previous 10 fiscal years of the amounts deposited by the State in the State water pollution control revolving fund from State moneys that exceed the amounts required to be so deposited under section 602(b)(2).

(B) MINIMUM.—To the extent there are sufficient applications for additional subsidization under this subsection that meet the criteria under paragraph (1)(A), a State shall use for providing additional subsidization in a fiscal year under this subsection an amount that is not less than 20 percent of the total amount received by the State in capitalization grants under this title for the fiscal year.

(j) DEFINITION OF ELIGIBLE INDIVIDUAL.—In subsection (c)(12), the term "eligible individual" means a member of a household, the members of which have a combined income (for the most recent 12-month period for which information is available) equal to not more than 50 percent of the median nonmetropolitan household income for the State in which the household is located, according to the most recent decennial census.

SEC. 604. ALLOTMENT OF FUNDS.

(a) FORMULA.—Sums authorized to be appropriated to carry out this section for [each of fiscal years 1989 and 1990] *each fiscal year* shall be allotted by the Administrator in accordance with section 205(c) of this Act.

(b) RESERVATION OF FUNDS FOR PLANNING.—Each State shall reserve each fiscal year 1 percent of the sums allotted to such State under this section for such fiscal year, or $100,000, whichever amount is greater, to carry out planning under sections 205(j) and 303(e) of this Act.

(c) ALLOTMENT PERIOD.—

(1) PERIOD OF AVAILABILITY FOR GRANT AWARD.—Sums allotted to a State under this section for a fiscal year shall be available for obligation by the State during the fiscal year for which sums are authorized and during the following fiscal year.

(2) REALLOTMENT OF UNOBLIGATED FUNDS.—The amount of any allotment not obligated by the State by the last day of the 2-year period of availability established by paragraph (1) shall be immediately reallotted by the Administrator on the basis of the same ratio as is applicable to sums allotted under title II of this Act for the second fiscal year of such 2-year period. None of the funds reallotted by the Administrator shall be reallotted to any State which has not obligated all sums allotted to such State in the first fiscal year of such 2-year period.

(d) WASTEWATER INFRASTRUCTURE WORKFORCE DEVELOPMENT.—Each fiscal year, a State may reserve up to 1 percent of the sums

allotted to the State under this section for the fiscal year to carry out workforce development, training, and retraining activities described in section 104(g).

(e) NEEDS SURVEY.—Each fiscal year, a State may reserve up to 0.5 percent of the sums allotted to the State under this section for the fiscal year to carry out activities under section 516(b)(1)(B).

(f) FUNDS ALLOTTED TO PUERTO RICO.—Notwithstanding any other provision of law, no funds allotted to the Commonwealth of Puerto Rico under this section may be counted as income or an asset of the owner or operator of a publicly owned treatment works receiving such funds, or be used, set aside, or otherwise made available for the purposes of payment of debt restructuring under the Puerto Rico Oversight, Management, and Economic Stability Act (48 U.S.C. 2101 et seq.) by the Puerto Rico Financial Oversight and Management Board.

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[SEC. 607. AUTHORIZATION OF APPROPRIATIONS.

[There is authorized to be appropriated to carry out the purposes of this title the following sums:

[(1) $1,200,000,000 per fiscal year for each of fiscal year 1989 and 1990;

[(2) $2,400,000,000 for fiscal year 1991;

[(3) $1,800,000,000 for fiscal year 1992;

[(4) $1,200,000,000 for fiscal year 1993; and

[(5) $600,000,000 for fiscal year 1994.]

SEC. 607. RESERVATION OF FUNDS FOR TERRITORIES OF THE UNITED STATES.

(a) IN GENERAL.—

(1) RESERVATION.—For each fiscal year, the Administrator shall reserve 1.5 percent of available funds, as determined under paragraph (2).

(2) AVAILABLE FUNDS.—For purposes of paragraph (1), the amount of available funds for a fiscal year is—

(A) the amount of funds made available to carry out this title for the fiscal year (before allotments to the States under section 604(a)); less

(B) the amount of any funds reserved under section 518(c) for the fiscal year.

(b) USE OF FUNDS.—Funds reserved under this section shall be available only for grants to American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, and the Virgin Islands for projects and activities eligible for assistance under section 603(c).

(c) LIMITATION.—American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, and the Virgin Islands may not receive funds allotted under section 604(a).

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SEC. 609. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title the following sums:

(1) $8,000,000,000 for fiscal year 2022.

(2) $8,000,000,000 for fiscal year 2023.

(3) $8,000,000,000 for fiscal year 2024.

(4) $8,000,000,000 for fiscal year 2025.

(5) $8,000,000,000 for fiscal year 2026.

WATER INFRASTRUCTURE IMPROVEMENT ACT

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SEC. 4. MUNICIPAL OMBUDSMAN.

(a) ESTABLISHMENT.—There is established within the Office of the Administrator an Office of the Municipal Ombudsman, to be headed by a Municipal Ombudsman.

(b) GENERAL DUTIES.—The duties of the Municipal Ombudsman shall include the provision of—

[(1) technical assistance to municipalities seeking to comply with the Federal Water Pollution Control Act; and**]**

(1) technical and planning assistance to support municipalities, including municipalities that are rural, small, economically disadvantaged, or Tribal communities, in achieving and maintaining compliance with enforceable deadlines, goals, and requirements of the Federal Water Pollution Control Act; and

(2) information to the Administrator to help the Administrator ensure that agency policies are implemented by all offices of the Environmental Protection Agency, including regional offices.

(c) ACTIONS REQUIRED.—The Municipal Ombudsman shall work with appropriate offices at the headquarters and regional offices of the Environmental Protection Agency to ensure that a municipality seeking assistance is provided information regarding—

(1) available Federal financial assistance for which the municipality is eligible;

(2) flexibility available under the Federal Water Pollution Control Act; and

(3) the opportunity to develop an integrated plan under section 402(s) of the Federal Water Pollution Control Act.

(d) INFORMATION SHARING.—The Municipal Ombudsman shall publish on the website of the Environmental Protection Agency—

(1) general information relating to—

(A) the technical assistance referred to in subsection (b)(1);

(B) the financial assistance referred to in subsection (c)(1);

(C) the flexibility referred to in subsection (c)(2); and

(D) any resources developed by the Administrator related to integrated plans under section 402(s) of the Federal Water Pollution Control Act; and

(2) a copy of each permit, order, or judicial consent decree that implements or incorporates such an integrated plan.

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MINORITY VIEWS

Committee Republicans oppose H.R. 1915, the *Water Quality Protection and Job Creation Act of 2021*, as amended. As drafted and reported by the Committee Majority, this legislation fails to provide states and municipalities with the flexibility and tools needed to achieve and protect clean water. The Majority's partisan bill glaringly ignores long-overdue permitting reform, tries to hide the imposition of increased mandates on states and municipalities by inflating to unrealistic and unsustainable levels several water funding provisions in the *Clean Water Act* (CWA), and—most importantly—walks away from a carefully crafted bipartisan agreement on CWA legislation that the Committee agreed to in the 116th Congress.

The shortcomings of the Majority's partisan legislation are particularly disappointing considering last Congress' bipartisanship on H.R. 1497, the *Water Quality Protection and Job Creation Act of 2019*, as amended. That bill, which was once celebrated by the Majority as a means of renewing the Federal government's commitment to invest in wastewater infrastructure and address local water quality needs, contained common-sense regulatory relief, authorized a realistic level of funding, and provided for small and rural communities' water infrastructure needs.[1] The Committee moved that legislation with overwhelming bipartisan support.

Now, the Majority has made it clear that they are unwilling to stick to our bipartisan agreement on clean water infrastructure this Congress, even though Committee Republicans have been ready to bring our priorities to the table, discuss them alongside the Majority's priorities, and find common ground. Surely there was common ground to be found, both on providing robust but realistic funding levels and finding ways to relieve some of the burdens that communities face. But instead, the Majority has decided to authorize unrealistically high spending levels that will never get funded, and refuse to provide states and municipalities the tools they need to effectively and efficiently achieve and protect clean water.

As a result of the unwillingness of the Majority to come to a bipartisan agreement this Congress, on May 13, 2021, Subcommittee on Water Resources and Environment Ranking Member David Rouzer (NC–07) introduced H.R. 3218, the *Wastewater Infrastructure Improvement Act of 2021*. This bill is closely based on the bipartisan agreement reached and reported out of Committee in the 116th Congress with H.R. 1497, as amended. It stands in stark contrast to the Majority's bill, by including provisions supported by

[1] *Markup of H.R. 1497, the Water Quality and Job Creation Act of 2019, Before the H. Comm. on Transportation and Infrastructure*, (Oct. 29, 2019) (116th Cong.) (statement of the Chair Peter DeFazio).

states and municipalities that will help give them the flexibility to meet their unique needs.

For example, H.R. 3218 updates section 402 of the *CWA*, authorizing states to issue National Pollutant Discharge Elimination System (NPDES) discharge permits to states and municipalities with permit terms of up to 10 years in duration. Current law limits the duration of an NPDES permit to only five years. Longer term permits would provide flexibility to permit writers and help reduce the costs of compliance for local clean water agencies, while protecting human health and improving our Nation's waters. Longer term permits would recognize that the complexity and time required for a municipality to plan, finance, and construct a modern clean water treatment facility can stretch out beyond the existing five-year permit term horizon, and extend to as long as a decade. They also would accommodate consent orders and decrees containing compliance schedules, and long-term control plans that frequently extend for years beyond existing five-year permit terms. Currently, state clean water agencies and the Environmental Protection Agency (EPA) are forced to renew permits every five years, even if the permitted project has yet to become operational or circumstances have not fundamentally changed. Providing agencies with the discretionary authority to extend NPDES permit terms to up to 10 years would maximize the use of scarce local, state, and Federal infrastructure resources without jeopardizing public health or the environment.

The Honorable Dave Berger, Mayor of Lima, Ohio (testifying on behalf of the United States Conference of Mayors), called on Congress and the President to address this by "[c]hang[ing] the current Clean Water Act law to allow cities to have 10-year, rather than five-year, treatment works permit terms," and by "[i]mplement[ing] the Integrated Planning Permit law to ensure cities and their customers are not overly financially burdened and to allow cities maximum flexibility to address specific challenges in a smart, prioritized manner."[2] Nevertheless, rather than providing greater flexibility, the Majority wants to uphold the restriction of NPDES permit writers to issue longer term permits, or even to administratively continue existing permits, thereby limiting the discretion and flexibility of permit writers in issuing and reissuing permits.

In addition, Committee Republicans' alternative, H.R. 3218, would provide additional flexibility for municipalities to fully take advantage of the EPA's CWA grant and financing programs for wastewater infrastructure. In contrast, the Majority's bill fails to provide such flexibility for municipalities, and instead, places additional burdensome restrictions on how these programs must be administered and funds utilized.

For example, H.R. 1915, as amended, mandates that states spend no less than 15 percent of their Clean Water State Revolving Fund (CWSRF) funding grants on green infrastructure [known as the "Green Project Reserve" (GPR)], as well as an additional five percent on resiliency projects, for an overall 20 percent mandate.

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[2] *Building Back Better: The Urgent Need for Infrastructure Investment in America's Wastewater Infrastructure Before the Subcomm. on Water Resources and Environment of the H. Comm. on Transportation and Infrastructure*, 117th Cong. (Feb. 23, 2021) (statement of the Hon. Dave Berger, Mayor of Lima, on behalf of the United States Conference of Mayors).

These mandates double the traditional set-aside authorized through annual appropriations legislation.[3] Committee Republicans are opposed to increasing Federal mandates for the CWSRF in such a manner, as it displaces funding for the wastewater infrastructure priorities of states and local communities and jeopardizes their ability to fund and complete higher priority projects that better protect human health and the environment.

Many municipalities are unable to fully meet the green project reserve mandate on an annual basis, as these types of green infrastructure projects take longer to develop and build and not all green projects qualify for a loan under the CWSRF program.[4] According to the Council on Infrastructure Financing Authorities (CIFA), which is the primary group representing the states' infrastructure financing authorities and their participation in the CWSRF program, mandated spending set-asides like this are unnecessary.[5] CIFA notes that, when this green project mandate is applied to cumulative (rather than annual) Federal funding, every state program has exceeded the 10 percent mandate and 36 out of 51 programs have used double the amount of mandated funding, so mandated set-asides are unnecessary.[6] Regardless of the GPR mandate, states have continued to implement green infrastructure projects despite not meeting its arbitrary requirements.

In comparison, H.R. 3218 would maintain only the existing 10 percent "Green Project Reserve" requirement and instead expand the category of eligible projects that qualify under the set-aside, including those that improve resiliency of treatment works. These provisions provide consistency with what Congress has approved in the GPR programs and provide greater flexibility for states to best serve the needs of their communities.

Finally, H.R. 1915, as amended, authorizes unrealistic and unsustainable funding levels for CWA programs. The bill authorizes approximately $52 billion in funding, which includes about $40 billion for the CWSRF and $12 billion for grant programs. Committee Republicans believe in investing in our Nation's aging wastewater infrastructure, which is why a bipartisan agreement with the Majority in the 116th Congress was reached to authorize over $16.65 billion over five years for CWA wastewater infrastructure programs, including $14 billion for the CWSRF and $2.6 billion for grant programs.

Despite the bipartisan achievement just last Congress, the Majority has dramatically shifted its baseline for authorizing funding for wastewater infrastructure programs. In contrast to the partisan action taken by the Majority, the Senate has embraced a bipartisan approach and recently passed bipartisan legislation to reauthorize wastewater infrastructure programs that is similar to the Committee Republicans' bill. The bipartisan Senate bill, S. 914, passed 89–2 on April 29, 2021, and authorizes more than $18 billion, in-

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[3] *See, e.g., Consolidated Appropriations Act of 2021*, (P.L. 116–260).

[4] *Sustainable Wastewater Infrastructure: Measures to Promote Resiliency and Climate Adaptation and Mitigation: Hearing before Subcomm. on Water Resources and Environment of the H. Comm. on Transportation and Infrastructure*, 117th Cong. (Apr. 21, 2021) (Statement of Kim Colson, Dir., Division of Water Infrastructure, NC DEQ, on behalf of CIFA).

[5] Letter from CIFA to the Hon. David Rouzer, Ranking Member, Subcomm. On Water Resources and Environment of the H. Comm. on Transportation and Infrastructure (Jun. 7, 2021) (on file with Committee).

[6] *Id*.

cluding $14.6 billion for the CWSRF and $4 billion for grant programs. This is very similar to the funding levels found in both the bipartisan H.R. 1497 in the 116th Congress and the Committee Republicans' H.R. 3218 from May 2021.

The Members of this Committee know that a bipartisan agreement is the only way we are going to improve water infrastructure. The American people deserve bipartisan cooperation in Congress and effective wastewater infrastructure. We saw this when the Senate took cooperative action to pass S. 914. The Majority should be standing by the bipartisan agreement they reached with Committee Republicans on H.R. 1497, and working with Committee Republicans and all interested stakeholders on any issues that remain outstanding.

Committee Republicans agree on the need to improve and maintain America's wastewater infrastructure. However, if the Majority is serious about achieving this goal, they would have remained supportive of the bipartisan agreement reached in the 116th Congress or maintained an open dialogue to work together on issues on importance to both sides with the common goal of achieving and protecting clean water. Unfortunately, this did not occur, and Committee Republicans oppose this legislation.

SAM GRAVES,
Ranking Member.
BOB GIBBS,
Ranking Member, Subcommittee on Coast Guard and Maritime Transportation.
RODNEY DAVIS,
Ranking Member, Subcommittee on Highways and Transit.
DAVID ROUZER,
Ranking Member, Subcommittee on Water Resources and the Environment.
DANIEL WEBSTER,
Ranking Member, Subcommittee on Economic Development, Public Buildings, and Emergency Management.
ERIC A. "RICK" CRAWFORD,
Ranking Member, Subcommittee on Railroads, Pipelines, and Hazardous Materials.

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