II

119TH CONGRESS
2D SESSION

S. 3967

To establish a rural area digital infrastructure technology grant program, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 3, 2026

Mr. BOOZMAN (for himself and Mr. KELLY) introduced the following bill; which was read twice and referred to the Committee on Environment and Public Works

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A BILL

To establish a rural area digital infrastructure technology grant program, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Futureproofing Local Operations for Water Systems Act of 2026'' or the ''FLOWS Act of 2026''.

SEC. 2. RURAL AREA DIGITAL INFRASTRUCTURE TECHNOLOGY GRANT PROGRAM.

(a) DEFINITIONS.—In this section:

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

(2) DIGITAL INFRASTRUCTURE TECHNOLOGY.—The term ''digital infrastructure technology'' means information technology or operational technology that utilizes—

(A) remote sensing, flow or pressure monitoring, real-time monitoring, management, analytics, data, or acoustic data collection tools and technologies that may detect or reduce water loss, identify damaged or nonfunctioning infrastructure, or improve the efficiency of the operations and asset condition assessment of a public water system or treatment works;

(B) industrial control systems, including supervisory control and data acquisition technology;

(C) artificial or embedded intelligence, or other intelligent optimization tools; and

(D) hydraulic analysis, digital design software, and advanced digital design and construction management tools or software that may aid in the development of digital models and engineering plans.

(3) ELIGIBLE ENTITY.—The term ''eligible entity'' means—

(A) the owner or operator of a publicly owned public water system or treatment works that serves a rural area;

(B) a rural area; and

(C) a State or Tribe, on behalf of an entity described in subparagraph (A) or (B).

(4) PROGRAM.—The term ''program'' means the grant program established under subsection (b)(1).

(5) PUBLIC WATER SYSTEM.—The term ''public water system'' has the meaning given the term in section 1401 of the Safe Drinking Water Act (42 U.S.C. 300f).

(6) RURAL AREA.—The term ''rural area'' has the meaning given the term in section 609(a) of the Public Utility Regulatory Policies Act of 1978 (7 U.S.C. 918c(a)).

(7) TREATMENT WORKS.—The term ''treatment works'' has the meaning given the term in section 212 of the Federal Water Pollution Control Act (33 U.S.C. 1292).

(b) GRANT PROGRAM.—

(1) ESTABLISHMENT.—The Administrator shall establish a grant program to provide infrastructure assistance to eligible entities in accordance with this subsection.

(2) FORM OF GRANTS.—

(A) IN GENERAL.—Subject to subparagraph (B), the Administrator may award a grant under the program to assist an eligible entity in—

(i) designing, constructing, operating, and maintaining digital infrastructure technology for water infrastructure, source water protection, and water development projects in rural areas, including for—

(I) facilities that supply, collect, and treat water, including drinking water, wastewater, and stormwater, including through desalination and water reuse;

(II) water distribution or wastewater conveyance systems; and

(III) the protection or development of surface water or groundwater resources, including through banking or recharging of aquifers;

(ii) providing training and workforce development activities to help project and construction managers and owners and operators of drinking water, wastewater, and stormwater utilities manage water infrastructure projects using digital infrastructure technology; and

(iii) mitigating risks and employing countermeasures to reduce the vulnerabilities of digital infrastructure technology for water infrastructure from cyber-attacks through on-site cybersecurity training and technical assistance.

(B) ACQUISITION AND MAINTENANCE OF SOFTWARE.—With respect to digital infrastructure technology that is software and notwithstanding any other provision of law, including the Safe Drinking Water Act (42 U.S.C. 300f), the recipient of a grant under the program may use grant funds for the initial acquisition and ongoing maintenance costs of that software.

(3) PRIORITIZATION.—In selecting recipients of grants under the program, the Administrator shall give priority to eligible entities that—

(A) own or operate public water systems or treatment works that serve fewer than 3,300 people; and

(B) serve people or comprise people that, as determined by the Administrator, are most in need, such as—

(i) pre-fabricated home community organizations or associations that are controlled by a local public body; and

(ii) other organizations that—

(I) own or operate a public water system or treatment works; and

(II) are owned or controlled by members of the community served by the public water system or treatment works, as opposed to investor-owned.

(4) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Administrator to carry out the program $50,000,000 for each of fiscal years 2027 through 2031, to remain available until expended.

(c) APPLICABILITY OF OTHER FEDERAL AND STATE LAWS.—Nothing in this Act waives, limits, or otherwise affects the applicability of any provision of Federal or

State law that would apply to a project to be carried out with grants provided under the program.

(d) DIGITAL TRANSFORMATION STUDY.—Not later than 5 years after the date of enactment of this Act, the Comptroller General of the United States shall conduct a study to determine the impact of adopting digital infrastructure technology in water infrastructure projects in rural areas, including—

(1) identification of—

(A) water loss and inadequate fire flow capacity in public water systems that serve rural areas;

(B) potential bottlenecks in combined sewer systems that serve rural areas that could prevent an overflow in a wastewater infrastructure system caused by extreme precipitation or excess runoff; and

(C) models and simulations that are effective in assessing the challenges of water resource management in rural areas; and

(2) recommendations for—

(A) developing water resource management plans to accommodate population growth in rural areas;

(B) prioritizing areas for improvement of the infrastructure and operations of public water systems and treatment works in rural areas;

(C) maximizing interoperability of digital infrastructure technology with other systems, products, tools, and applications;

(D) reducing project delays and cost overruns in projects that serve rural areas;

(E) reducing the total cost of drinking water and wastewater infrastructure projects in rural areas;

(F) understanding the impact of digital infrastructure technology in rural areas on sustainability and resiliency of a public water system or treatment works; and

(G) using digital infrastructure technology to increase the affordability of drinking water, wastewater, and stormwater services in rural areas.

(e) REPORT.—Not later than December 31, 2030, the Comptroller General of the United States shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infra-

structure of the House of Representatives a report describing—

(1) the results of the study under subsection (d); and

(2) the results of the program.

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