117TH CONGRESS 2D SESSION	S.	
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To support water infrastructure in Reclamation States, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mrs. Feinstein (for herself, Mr. Kelly, and Ms. Sinema) introduced the following bill; which was read twice and referred to the Committee on

A BILL

To support water infrastructure in Reclamation States, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE; TABLE OF CONTENTS.
- 4 (a) Short Title.—This Act may be cited as the
- 5 "Support To Rehydrate the Environment, Agriculture,
- 6 and Municipalities Act" or the "STREAM Act".
- 7 (b) Table of Contents.—The table of contents for
- 8 this Act is as follows:
 - Sec. 1. Short title; table of contents.
 - Sec. 2. Definitions.

- Sec. 101. Competitive grant program for the funding of water recycling projects.
- Sec. 102. Annual report to Congress.
- Sec. 103. Storage and conveyance projects.
- Sec. 104. Eligible desalination project development.
- Sec. 105. Reclamation infrastructure finance and innovation pilot program.
- Sec. 106. Drinking water assistance for disadvantaged communities.
- Sec. 107. Extraordinary operation and maintenance work; project modification.
- Sec. 108. Use of revenue to improve drought resilience or dam safety.

TITLE II—IMPROVED TECHNOLOGY AND DATA

Sec. 201. Reauthorization of the transboundary aquifer assessment program.

TITLE III—ECOSYSTEM RESTORATION AND PROTECTION

- Sec. 301. Ecosystem restoration.
- Sec. 302. Performance-based restoration authority.

TITLE IV—MISCELLANEOUS

- Sec. 401. Modifications to drought program under the Reclamation States Emergency Drought Relief Act of 1991.
- Sec. 402. Clarification of authority to use coronavirus fiscal recovery funds to meet a non-Federal matching requirement for authorized water projects.
- Sec. 403. Environmental compliance.
- Sec. 404. Effect.

1 SEC. 2. DEFINITIONS.

- 2 In this Act:
- 3 (1) Annual report.—The term "annual re-
- 4 port" means a report required under section 102(a).
- 5 (2) AUTHORIZED PROJECT.—The term "au-
- 6 thorized project" means a storage project authorized
- by an Act of Congress, including through an applica-
- 8 ble standing authorization under section 5B of the
- 9 Reclamation Safety of Dams Act of 1978 (43 U.S.C.
- 10 509b) or any other applicable law.
- 11 (3) Authorizing committees of con-
- 12 GRESS.—The term "authorizing committees of Con-
- 13 gress" means—

1	(A) the Committee on Energy and Natural
2	Resources of the Senate; and
3	(B) the Committee on Natural Resources
4	of the House of Representatives.
5	(4) Design; study.—
6	(A) In General.—The terms "design"
7	and "study" include any design, permitting,
8	study (including a feasibility study), materials
9	engineering or testing, surveying, or
10	preconstruction activity relating to a water stor-
11	age facility.
12	(B) Exclusions.—The terms "design"
13	and "study" do not include an appraisal study
14	or other preliminary review intended to deter-
15	mine whether further study is appropriate.
16	(5) DISADVANTAGED COMMUNITY.—The term
17	"disadvantaged community" means a low-income
18	community (as defined in section 45D(e) of the In-
19	ternal Revenue Code of 1986).
20	(6) ELIGIBLE DESALINATION PROJECT.—The
21	term "eligible desalination project" has the meaning
22	given the term in paragraph (2) of section 4(a) of
23	the Water Desalination Act of 1996 (42 U.S.C.
24	10301 note; Public Law 104–298) (as amended by
25	section $104(a)$).

1	(7) ELIGIBLE ENTITY.—The term "eligible enti-
2	ty" means—
3	(A) any State, political subdivision of a
4	State, department of a State, or public agency
5	organized pursuant to State law;
6	(B) an Indian Tribe (as defined in section
7	4 of the Indian Self-Determination and Edu-
8	cation Assistance Act (25 U.S.C. 5304)) or an
9	entity controlled by an Indian Tribe;
10	(C) a water users' association;
11	(D) an agency established by an interstate
12	compact; and
13	(E) an agency established under State law
14	for the joint exercise of powers.
15	(8) Federal Benefit.—The term "Federal
16	benefit", with respect to a non-Federal storage
17	project, water recycling project, or eligible desalina-
18	tion project, means—
19	(A) public benefits provided directly by a
20	project;
21	(B) public benefits that—
22	(i) are—
23	(I) fish and wildlife benefits de-
24	scribed in paragraph (12)(A)(i); or
25	(II) water quality benefits;

1	(ii) are provided by the implementa-
2	tion of a watershed restoration plan ap-
3	proved with the project; and
4	(iii) represent an increased Federal
5	commitment in the watershed as compared
6	to Federal commitments before the date of
7	approval of the project;
8	(C) benefits to a watershed from a water
9	recycling project or eligible desalination project;
10	or
11	(D) water supply benefits identified in ac-
12	cordance with the reclamation laws.
13	(9) Federal Storage Project.—The term
14	"Federal storage project" means any project con-
15	structed by the Bureau of Reclamation—
16	(A) that involves the construction or ex-
17	pansion of—
18	(i) a surface water storage facility; or
19	(ii) a facility conveying water to or
20	from surface or groundwater storage; and
21	(B) to which the United States holds or
22	will hold title.
23	(10) Natural water retention and re-
24	LEASE PROJECT.—

1	(A) In General.—The term "natura
2	water retention and release project" means a
3	non-Federal storage project designed and devel-
4	oped to increase water availability for optimal
5	management through aquifer recharge, flood-
6	plain retention, the alteration of the timing of
7	runoff to allow increased utilization of existing
8	storage facilities, or another mechanism that—
9	(i) uses primarily natural materials
10	appropriate to the specific site and land-
11	scape setting; and
12	(ii) substantially mimics natura
13	riverine, wetland, ecosystem, or hydrologic
14	processes.
15	(B) Inclusions.—The term "natura
16	water retention and release project" includes—
17	(i) a single natural water retention
18	and release project;
19	(ii) several distributed natural water
20	retention and release projects across a wa-
21	tershed; and
22	(iii) the redesign, modification, or re-
23	placement of existing infrastructure to in-
24	corporate natural water retention and re-
25	lease elements.

I	(11) NON-FEDERAL STORAGE PROJECT.—The
2	term "non-Federal storage project" means any
3	project in a Reclamation State that—
4	(A) involves the construction, expansion, or
5	repair by an eligible entity of—
6	(i) a surface or groundwater storage
7	project that is not federally owned;
8	(ii) a facility that is not federally
9	owned conveying water to or from surface
10	or groundwater storage; or
11	(iii) a natural water retention and re-
12	lease project; and
13	(B) provides a benefit in meeting any obli-
14	gation under applicable Federal law (including
15	regulations).
16	(12) Public Benefit.—The term "public ben-
17	efit", with respect to a non-Federal storage project
18	or extraordinary operation and maintenance work,
19	means—
20	(A)(i) fish and wildlife benefits—
21	(I) that are in excess of express miti-
22	gation and environmental compliance obli-
23	gations under applicable Federal and State
24	law, including regulations, permits, con-
25	tracts, licenses, grants, or orders or deci-

1	sions from Federal and State courts, in ef-
2	fect on the date on which amounts are
3	made available for the applicable project
4	under this Act; and
5	(II) including incremental level 4
6	flows for managed land entitled to receive
7	level 2 refuge water;
8	(ii) flood control benefits;
9	(iii) recreational benefits;
10	(iv) water quality benefits that are in ex-
11	cess of the obligations described in clause (i)(I)
12	of subparagraph (A); and
13	(v) any other benefits that are nonreim-
14	bursable under the reclamation laws;
15	(B) drinking water supply for disadvan-
16	taged communities, including through ground-
17	water recharge, the benefits of which are in ex-
18	cess of the obligations described in clause (i)(I)
19	of subparagraph (A);
20	(C) emergency drinking water supply used
21	in response to a disaster declaration by a Gov-
22	ernor; and
23	(D) energy savings benefits, including—
24	(i) the value of associated greenhouse
25	gas reductions; and

1	(ii) any reduction in energy costs for
2	Federal taxpayers, such as reduced water
3	delivery costs for water providing fish and
4	wildlife benefits.
5	(13) Qualified partner.—The term "quali-
6	fied partner" means a nonprofit organization oper-
7	ating in a Reclamation State that is acting with the
8	written support of an eligible entity.
9	(14) RECLAMATION LAWS.—The term "rec-
10	lamation laws" means Federal reclamation law (the
11	Act of June 17, 1902 (32 Stat. 388, chapter 1093),
12	and Acts supplemental to and amendatory of that
13	Act (43 U.S.C. 371 et seq.)).
14	(15) RECLAMATION STATE.—The term "Rec-
15	lamation State" has the meaning given the term in
16	section 4014 of the Water Infrastructure Improve-
17	ments for the Nation Act (43 U.S.C. 390b note;
18	Public Law 114–322).
19	(16) Secretary.—The term "Secretary"
20	means the Secretary of the Interior.
21	(17) Storage project.—The term "storage
22	project" means a Federal storage project or a non-
23	Federal storage project.
24	(18) Water recycling project.—The term
25	"water recycling project" means a project provided

1	a grant under section 1602(f) of the Reclamation
2	Wastewater and Groundwater Study and Facilities
3	Act (43 U.S.C. 390h(f)).
4	(19) Watershed.—The term "watershed" in-
5	cludes—
6	(A) an entire watershed; or
7	(B) any portion of a watershed, including
8	the upper or lower reaches of the watershed.
9	(20) Watershed restoration plan.—The
10	term "watershed restoration plan" means a plan ap-
11	proved by the Secretary that would provide benefits
12	to the affected watershed from a non-Federal stor-
13	age project and other projects and activities, includ-
14	ing—
15	(A)(i) restoration of fish and wildlife habi-
16	tat or flows; or
17	(ii) water quality benefits; and
18	(B) water supply benefits.
19	TITLE I—INFRASTRUCTURE
20	DEVELOPMENT
21	SEC. 101. COMPETITIVE GRANT PROGRAM FOR THE FUND-
22	ING OF WATER RECYCLING PROJECTS.
23	(a) Authorization of New Water Recycling
24	Projects.—Section 1602 of the Reclamation Wastewater

1	and Groundwater Study and Facilities Act (43 U.S.C.
2	390h) is amended—
3	(1) in subsection (e)(2)(B), by striking "in ac-
4	cordance with the reclamation laws"; and
5	(2) in subsection (f)—
6	(A) in paragraph (1), by striking ", subject
7	to subsection $(g)(2)$ "; and
8	(B) by striking paragraph (2) and all that
9	follows through the end of subsection (g) and
10	inserting the following:
11	"(2) Priorities and diversity of project
12	Types.—In providing grants under paragraph (1),
13	the Secretary shall—
14	"(A) give priority to projects that—
15	"(i) are likely to provide a more-reli-
16	able water supply for a unit of State or
17	local government;
18	"(ii) are likely to increase the water
19	management flexibility and reduce impacts
20	on environmental resources; or
21	"(iii) provide multiple benefits, includ-
22	ing water supply reliability, ecosystem ben-
23	efits, system reliability benefits, ground-
24	water management and enhancements, and
25	water quality improvements; and

1	"(B) take into consideration selecting a di-
2	versity of project types, including projects that
3	serve—
4	"(i) a region or more than 1 commu-
5	nity;
6	"(ii) a rural or small community; or
7	"(iii) an urban community or city.
8	"(g) Authorization of Appropriations.—In ad-
9	dition to amounts made available under section
10	40901(4)(A) of the Infrastructure Investment and Jobs
11	Act (43 U.S.C. 3201(4)(A)), there is authorized to be ap-
12	propriated to the Secretary to carry out subsections (e)
13	and (f) \$300,000,000 for the period of fiscal years 2024
14	through 2028.".
15	(b) Limitation on Funding.—Section 1631(d) of
16	the Reclamation Wastewater and Groundwater Study and
17	Facilities Act (43 U.S.C. 390h–13(d)) is amended—
18	(1) in paragraph (1)—
19	(A) by striking "by paragraph (2)" and in-
20	serting "in paragraphs (2) and (3)"; and
21	(B) striking "\$20,000,000 (October 1996
22	prices)" and inserting "\$50,000,000 (in prices
23	as determined for January 2022)"; and
24	(2) in paragraph (2)—
25	(A) in subparagraph (B)—

1	(1) by striking "(B) In the case" and
2	inserting the following:
3	"(B) SAN GABRIEL BASIN.—In the case";
4	and
5	(ii) by indenting clauses (i) and (ii)
6	appropriately; and
7	(B) by striking "(2)(A) Subject to" and in-
8	serting the following:
9	"(2) Projects funded as of 2021.—The Fed-
10	eral share of the cost of any single project author-
11	ized under this title shall be \$20,000,000 (October
12	1996 prices) if the project has received that amount
13	as of December 31, 2021.
14	"(3) Older Projects.—
15	"(A) IN GENERAL.—Subject to".
16	SEC. 102. ANNUAL REPORT TO CONGRESS.
17	(a) Annual Reports.—Not later than February 1
18	of each year, the Secretary shall develop and submit to
19	the authorizing committees of Congress an annual report,
20	to be entitled "Report to Congress on Future Storage
21	Project Development", that—
22	(1) identifies, with respect to Federal storage
23	projects and non-Federal storage projects—
24	(A) each feasibility report that—

1	(i) meets the criteria established
2	under subsection $(c)(1)(A)$; and
3	(ii) is recommended by the Secretary
4	for congressional authorization for con-
5	struction;
6	(B) each proposed feasibility study sub-
7	mitted to the Secretary by an eligible entity
8	pursuant to subsection (b) that meets the cri-
9	teria established under subsection $(c)(1)(A)$;
10	(C) any proposed modification to an au-
11	thorized project that meets the criteria estab-
12	lished under subsection $(c)(1)(A)$ that is—
13	(i) submitted to the Secretary by an
14	eligible entity pursuant to subsection (b);
15	or
16	(ii) identified by the Secretary for au-
17	thorization; and
18	(2) provides a status update for each feasibility
19	study for a Federal storage project that is under
20	evaluation during the period covered by the report
21	and is intended to meet the criteria established
22	under subsection $(c)(1)(A)$, including identifying—
23	(A) the initiation date of the feasibility
24	study;

1	(B) the percentage completion of the feasi-
2	bility study; and
3	(C) the expected completion date of the
4	feasibility study.
5	(b) Requests for Proposals.—
6	(1) Publication.—Not later than May 1 of
7	each year, the Secretary shall publish a notice re-
8	questing proposals from eligible entities for proposed
9	feasibility studies and proposed modifications to au-
10	thorized projects to be included in the annual report.
11	(2) Deadline for requests.—The Secretary
12	shall include in each notice required under this sub-
13	section a requirement that eligible entities submit to
14	the Secretary any proposals described in paragraph
15	(1) by not later than 120 days after the date of pub-
16	lication of the notice in order for the proposals to be
17	considered for inclusion in the annual report.
18	(3) Notification.—On the date of publication
19	of each notice required by this subsection, the Sec-
20	retary shall—
21	(A) make the notice publicly available, in-
22	cluding on the internet; and
23	(B) provide written notification of the pub-
24	lication to the authorizing committees of Con-
25	gress.

1	(c) CONTENTS.—
2	(1) Inclusions.—
3	(A) Criteria.—The Secretary shall in-
4	clude in the annual report—
5	(i) subject to subparagraph (B), a fea-
6	sibility report or proposed feasibility study
7	for, or proposed modifications to, a Fed-
8	eral storage project or non-Federal storage
9	project that—
10	(I) the Secretary determines is
11	related to the missions and authorities
12	of the Bureau of Reclamation;
13	(II) requires specific congres-
14	sional authorization, including by an
15	Act of Congress;
16	(III) the Secretary determines
17	could be eligible for design, study, or
18	construction; and
19	(IV) has not been authorized by
20	Congress; and
21	(ii) a list of, as of the date of the an-
22	nual report—
23	(I) each non-Federal storage
24	project that is under construction;

	17
1	(II) each feasibility study that is
2	being conducted for non-Federal stor-
3	age projects; and
4	(III) the amount of appropriated
5	funding that the Secretary has award-
6	ed to each project or feasibility study
7	listed under subclause (I) or (II).
8	(B) Limitations.—Notwithstanding sub-
9	paragraph (A)(i)—
10	(i) a feasibility study shall not be in-
11	cluded in an annual report if the feasibility
12	study was included in any previous annual
13	report; and
14	(ii) a feasibility report for a non-Fed-
15	eral storage project shall not be included in
16	an annual report unless the project has a
17	Federal cost-share of more than
18	\$250,000,000.
19	(C) Description of Benefits.—The
20	Secretary shall describe in the annual report, to
21	the extent applicable and practicable, for each
22	proposed feasibility study and proposed modi-
23	fication to an authorized project included in the
24	annual report, the benefits of each project or
25	proposed modification.

1	(D) Identification of other fac-
2	TORS.—The Secretary shall identify in the an-
3	nual report, to the extent practicable—
4	(i) for each proposed feasibility study
5	included in the annual report, the eligible
6	entity that submitted the proposed project
7	study pursuant to subsection (b); and
8	(ii) for each proposed feasibility study
9	and proposed modification to a project in-
10	cluded in the annual report, whether the
11	eligible entity has demonstrated—
12	(I) that local support exists for
13	the proposed feasibility study or pro-
14	posed modification to an authorized
15	project (including the project that is
16	the subject of the proposed feasibility
17	study or the proposed modification);
18	and
19	(II) the financial ability to pro-
20	vide the required non-Federal cost
21	share.
22	(2) Transparency.—The Secretary shall in-
23	clude in the annual report, for each feasibility re-
24	port, proposed feasibility study, and proposed modi-

1	fication to a project included under paragraph
2	(1)(A)—
3	(A) the name of the associated eligible en-
4	tity, including the name of any eligible entity
5	that has contributed, or is expected to con-
6	tribute, a non-Federal share of the cost of—
7	(i) the feasibility report;
8	(ii) the proposed feasibility study; or
9	(iii) construction of—
10	(I) the project that is the subject
11	of—
12	(aa) the feasibility report; or
13	(bb) the proposed feasibility
14	study; or
15	(II) the proposed modification to
16	a project;
17	(B) a letter or statement of support for the
18	feasibility report, proposed feasibility study, or
19	proposed modification to a project from each
20	associated eligible entity;
21	(C) the purpose of the feasibility report,
22	proposed feasibility study, or proposed modi-
23	fication to a project;

1	(D) an estimate, to the extent practicable,
2	of the Federal, non-Federal, and total costs of
3	construction of—
4	(i) the project that is the subject of
5	the feasibility report; or
6	(ii) the proposed modification to an
7	authorized project; and
8	(E) an estimate, to the extent practicable,
9	of the monetary and nonmonetary benefits of—
10	(i) the project that is the subject of
11	the feasibility report; or
12	(ii) the proposed modification to an
13	authorized project.
14	(3) Certification.—The Secretary shall in-
15	clude in the annual report a certification stating
16	that each feasibility report, proposed feasibility
17	study, and proposed modification to a project in-
18	cluded in the annual report meets the criteria estab-
19	lished under paragraph (1)(A).
20	(4) Appendix.—
21	(A) IN GENERAL.—The Secretary shall in-
22	clude in the annual report an appendix listing
23	the proposals submitted under subsection (b)
24	that were not included in the annual report
25	under paragraph (1)(A) and a description of

1	why the Secretary determined that those pro-
2	posals did not meet the criteria for inclusion
3	under that paragraph.
4	(B) Limitation.—The Secretary shall not
5	include—
6	(i) in an appendix under subpara-
7	graph (A) any proposal that meets the cri-
8	teria for inclusion in the annual report
9	solely on the basis of a determination by
10	the Secretary that the proposal requires
11	legislative changes to an authorized project
12	or feasibility study; or
13	(ii) in an appendix under subpara-
14	graph (A) or any other part of the annual
15	report any proposal that meets the criteria
16	for inclusion in the annual report solely on
17	the basis of a policy of the Secretary.
18	(d) Special Rule for Initial Annual Report.—
19	Notwithstanding any other deadline under this section, the
20	Secretary shall—
21	(1) not later than 60 days after the date of en-
22	actment of this Act, publish a notice required under
23	subsection (b)(1); and
24	(2) include in the notice a requirement that eli-
25	gible entities submit to the Secretary any proposals

1	described in subsection $(b)(1)$ by not later than 120
2	days after the date of publication of the notice in
3	order for the proposals to be considered for inclusion
4	in the first annual report developed by the Secretary
5	under this section.
6	(e) Publication.—On submission of an annual re-
7	port to Congress, the Secretary shall make the annual re-
8	port publicly available, including through publication on
9	the internet.
10	SEC. 103. STORAGE AND CONVEYANCE PROJECTS.
11	(a) Definitions.—In this section:
12	(1) ELIGIBLE ENTITY.—The term "eligible enti-
13	ty" means—
14	(A) a State, Indian Tribe, municipality, ir-
15	rigation district, water district, wastewater dis-
16	trict, or other organization with water or power
17	delivery authority;
18	(B) a State, regional, or local authority,
19	the members of which include 1 or more organi-
20	zations with water or power delivery authority;
21	or
22	(C)(i) an agency established under State
23	law for the joint exercise of powers;
24	(ii) a combination of entities described in
25	subparagraphs (A) and (B); or

1	(iii) with respect to a natural water reten-
2	tion and release project, a qualified partner.
3	(2) Eligible Project.—The term "eligible
4	project" means a project described in subsection (c)
5	(3) Program.—The term "program" means
6	the grant program established under subsection (b).
7	(4) Reclamation state.—The term "Rec-
8	lamation State" means a State or territory described
9	in the first section of the Act of June 17, 1902 (32
10	Stat. 388, chapter 1093; 43 U.S.C. 391).
11	(b) Establishment.—The Secretary shall establish
12	a program to provide grants to eligible entities on a com-
13	petitive basis for the study, planning, design, and con-
14	struction of non-Federal storage projects that provide sub-
15	stantial water supply and other benefits to a Reclamation
16	State in accordance with this section.
17	(c) Eligible Project.—A project shall be eligible
18	for a grant under this section if the project—
19	(1) involves the construction or expansion by an
20	eligible entity of—
21	(A) a surface or groundwater storage
22	project that is not federally owned;
23	(B) a facility that is not federally owned
24	that conveys water to or from surface or
25	groundwater storage; or

1	(C) a natural water retention and release
2	project;
3	(2) has a Federal cost-share of not more than
4	\$250,000,000;
5	(3) is located in a Reclamation State;
6	(4) is constructed, operated, and maintained by
7	an eligible entity; and
8	(5) provides a Federal benefit.
9	(d) PROJECT EVALUATION.—The Secretary may pro-
10	vide a grant to an eligible entity for an eligible project
11	under the program—
12	(1) for the study of the eligible project, if the
13	Secretary has identified the potential for sufficient
14	Federal benefits from the eligible project to proceed;
15	(2) for the construction of a non-Federal stor-
16	age project that is not a natural water retention and
17	release project, if—
18	(A) the eligible entity determines through
19	the preparation of a feasibility study or equiva-
20	lent study, and the Secretary concurs, that the
21	eligible project—
22	(i) is technically and financially fea-
23	sible;
24	(ii) provides a Federal benefit; and

1	(111) is consistent with applicable Fed-
2	eral and State laws;
3	(B) the eligible entity has sufficient non-
4	Federal funding available to complete the eligi-
5	ble project, as determined by the Secretary;
6	(C) the eligible entity is financially solvent
7	as determined by the Secretary;
8	(D) the Governor, a member of the cabinet
9	of the Governor, or the head of a department
10	of the Reclamation State in which the non-Fed-
11	eral storage project is located supports the
12	project or Federal funding of the project; and
13	(E) not later than 30 days after the date
14	on which the Secretary concurs with the deter-
15	minations under subparagraph (A) with respect
16	to the eligible project, the Secretary submits to
17	Congress written notice of the determinations
18	and
19	(3) for a natural water retention and release
20	project—
21	(A) that costs not more than \$10,000,000
22	if the eligible entity demonstrates that the nat-
23	ural water retention and release project would
24	help optimize the storage or delivery of water in

1	a watershed in which a Bureau of Reclamation
2	facility is located; and
3	(B) that costs more than \$10,000,000,
4	if—
5	(i) the conditions described in para-
6	graph (2) have been met; and
7	(ii) the eligible entity determines, and
8	the Secretary concurs, that—
9	(I) the natural water retention
10	and release project would produce or
11	allow additional retention or delivery
12	of water in a watershed in which a
13	Bureau of Reclamation facility is lo-
14	cated; and
15	(II) there is a credible estimate
16	of the quantity of the storage benefit
17	of the natural water retention and re-
18	lease project during each of a "wet"
19	year, a "normal" year, and a "dry"
20	year.
21	(e) Priority.—In providing grants to eligible entities
22	for eligible projects under the program, the Secretary shall
23	give funding priority to an eligible project that directly or
24	through watershed restoration plans approved with the
25	project meets 2 or more of the following criteria:

1	(1) Provides multiple benefits, including sub-
2	stantial quantities of each of the following:
3	(A) Water supply reliability benefits for
4	States and communities that are frequently
5	drought-stricken.
6	(B) Fish and wildlife benefits.
7	(C) Water quality improvements.
8	(2) Reduces impacts on environmental re-
9	sources from water projects owned or operated by
10	Federal agencies and State agencies, including
11	through measurable reductions in water diversions
12	from imperiled ecosystems.
13	(3) Advances water management plans across a
14	multi-State area, such as drought contingency plans
15	in the Colorado River Basin.
16	(4) Is collaboratively developed or supported by
17	multiple stakeholders.
18	(5) Is located within a watershed for which an
19	integrated, comprehensive watershed management
20	plan has been developed to enhance resilience of eco-
21	systems, agricultural operations, and communities to
22	chronic water scarcity, acute drought, and changing
23	hydrological regimes.
24	(f) Federal Assistance.—
25	(1) Federal cost share.—

1	(A) In general.—Except as provided in
2	subparagraph (B), the Federal share of the cost
3	of any eligible project provided a grant under
4	the program shall not exceed 25 percent of the
5	total cost of the eligible project.
6	(B) Exception.—The Federal share of
7	the cost of a natural water retention and re-
8	lease project provided a grant under the pro-
9	gram shall not exceed 90 percent of the total
10	cost of the natural water retention and release
11	project.
12	(2) Reimbursability of funds.—
13	(A) Nonreimbursable funds.—
14	(i) Public benefits.—Subject to
15	paragraph (1), any funds provided by the
16	Secretary to an eligible entity under the
17	program for the value of public benefits
18	described in subparagraphs (A) and (B) of
19	section 2(8) shall be considered nonreim-
20	bursable.
21	(ii) Water supply benefits of
22	EQUAL VALUE TO PUBLIC BENEFITS.—
23	Subject to paragraph (1), any funds pro-
24	vided by the Secretary for the value of
25	Federal benefits provided under section

1 2(8)(D) shall be considered nonreimburs-2 able to the extent that the value of the 3 Federal benefits does not exceed the value 4 of public benefits funded under clause (i) 5 that are fish and wildlife or water quality 6 benefits. 7 (B) REIMBURSABLE FUNDS.—If any fund-8 ing provided under subparagraph (A) is less 9 than 25 percent of the total cost of the eligible 10 project, the Secretary may provide reimbursable 11 funds to an eligible entity for any Federal bene-12 fits provided under section 2(8)(D) for not 13 more than 25 percent of the total cost of the 14 eligible project. 15 (g) Environmental Laws.—In providing a grant for an eligible project under the program, the Secretary 16 17 shall comply with all applicable environmental laws, in-18 cluding the National Environmental Policy Act of 1969 19 (42 U.S.C. 4321 et seq.). 20 (h) GUIDANCE.—Not later than 1 year after the date 21 of enactment of this Act, the Secretary shall issue guid-22 ance on the implementation of the program, including 23 guidelines for the preparation of feasibility studies or equivalent studies by eligible entities. 25 (i) Reports.—

1 (1) Annual report.—At the end of each fis2 cal year, the Secretary shall make available on the
3 website of the Department of the Interior an annual
4 report that lists each eligible project for which a
5 grant has been awarded under this section during
6 the fiscal year.

- (2) Comptroller General of the United States shall conduct an assessment of the administrative establishment, solicitation, selection, and justification process with respect to the funding of grants under this section.
- 13 (j) TREATMENT OF CONVEYANCE.—The planning, 14 design, and construction of a conveyance system for an 15 eligible project shall be eligible for grant funding under 16 the program.

17 (k) Funding.—

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18 (1) AUTHORIZATION OF APPROPRIATIONS.—In 19 addition to amounts made available under section 20 40901(1) of the Infrastructure Investment and Jobs 21 Act (43 U.S.C. 3201(1)), there is authorized to be 22 appropriated to the Secretary to carry out this sec-23 tion \$750,000,000 for the period of fiscal years 24 2024 through 2028, of which \$50,000,000 is author-25 ized to be appropriated during that period to carry

1	out natural water retention and release projects
2	under subsection (d)(3).
3	(2) Allocation.—Subject to paragraphs (3)
4	and (5), the Secretary shall allocate amounts made
5	available under paragraph (1) among—
6	(A) the design and study of—
7	(i) non-Federal storage projects, in-
8	cluding natural water retention and release
9	projects; and
10	(ii) storage projects that are eligible
11	for study funding under subsection (a)(1)
12	of section 40902 of the Infrastructure In-
13	vestment and Jobs Act (43 U.S.C. 3202).
14	if the amounts made available to the stor-
15	age projects under this clause are provided
16	in accordance with subsections (b) and (c)
17	of that section; and
18	(B) construction of—
19	(i) non-Federal storage projects, in-
20	cluding natural water retention and release
21	projects; and
22	(ii) storage projects that have received
23	construction funding in accordance with
24	subsection (a)(2) of section 40902 of the
25	Infrastructure Investment and Jobs Act

1	(43 U.S.C. 3202), if the amounts made
2	available to the storage projects under this
3	clause are provided in accordance with sub-
4	sections (b) and (c) of that section.
5	(3) Preliminary studies.—Of the amounts
6	made available under paragraph (1), not more than
7	25 percent shall be provided for appraisal studies,
8	feasibility studies, or other preliminary studies.
9	(4) Wiin act storage funding.—The Sec-
10	retary may award funding made available under sec-
11	tion 4007(h) of the Water Infrastructure Improve-
12	ments for the Nation Act (43 U.S.C. 390b note;
13	Public Law 114–322) to—
14	(A) non-Federal storage projects, including
15	natural water retention and release projects;
16	(B) storage projects that are eligible for
17	study funding under subsection (a)(1) of section
18	40902 of the Infrastructure Investment and
19	Jobs Act (43 U.S.C. 3202), if the amounts
20	made available under this subparagraph to stor-
21	age projects is provided in accordance with sub-
22	sections (b) and (c) of that section; and
23	(C) storage projects that have received
24	construction funding in accordance with sub-
25	section (a)(2) of section 40902 of the Infra-

1	structure Investment and Jobs Act (43 U.S.C.
2	3202), if the amounts made available to storage
3	projects under this subparagraph is provided in
4	accordance with subsections (b) and (c) of that
5	section.
6	(5) Other Storage Projects.—The funds
7	appropriated under paragraph (1) may not be used
8	for storage projects other than those described in
9	paragraph (2) unless authorized by an Act of Con-
10	gress.
11	(6) Use of funding for public benefits.—
12	(A) IN GENERAL.—The Federal share of
13	the cost of public benefits provided by a storage
14	project described in paragraph (2) may be used
15	for—
16	(i) the capital and operations, mainte-
17	nance, and replacement costs of public
18	benefits; and
19	(ii) the operations, maintenance, and
20	replacement costs of public benefits de-
21	scribed in section 2(12)(A), the capital
22	costs of which are funded by the applicable
23	Reclamation State.
24	(B) Effect.—Nothing in this paragraph
25	precludes the Secretary from using other au-

1 thorities or appropriations for the capital and 2 operations, maintenance, and replacement costs 3 of a non-Federal storage project to provide pub-4 lic benefits. 5 (1) Amendment to the Infrastructure Jobs AND INVESTMENT ACT.—Section 40902(a)(2)(C)(i) of the 7 Infrastructure Investment and Jobs Act (43 U.S.C. 8 3202(a)(2)(C)(i)) is amended by striking "clause (i) or 9 (ii)" and inserting "clause (i), (ii), or (iii)". 10 (m)AUTHORIZATION TO COMPLETE STORAGE PROJECTS THAT RECEIVE CONSTRUCTION FUNDING.— 12 (1) Definition of Construction.—In this 13 subsection, the term "construction" has the meaning 14 given the term in section 4011(f) of the Water In-15 frastructure Improvements for the Nation Act (Pub-16 lic Law 114–322; 130 Stat. 1881). 17 (2)EXTENSION OF**EXISTING** REQUIRE-18 MENTS.—A storage project that has received fund-19 ing for construction activities in accordance with sec-20 tion 40901(1) of the Infrastructure Investment and 21 Jobs Act (43 U.S.C. 3201(1)) shall be eligible for 22 funding (including funding authorized under this 23 section or an amendment made by this section), to 24 complete construction of the project in accordance

1	with the standards under section 40902 of that Act
2	(43 U.S.C. 3202).
3	(n) Calfed Reauthorization.—Title I of Public
4	Law 108–361 (118 Stat. 1681; 123 Stat. 2860; 128 Stat.
5	164; 128 Stat. 2312; 129 Stat. 2407; 130 Stat. 1866; 133
6	Stat. 2669; 134 Stat. 1363), is amended by striking
7	"2021" each place it appears and inserting "2027".
8	SEC. 104. ELIGIBLE DESALINATION PROJECT DEVELOP
9	MENT.
10	(a) Eligible Desalination Projects Authoriza-
11	TION.—Section 4(a) of the Water Desalination Act of
12	1996 (42 U.S.C. 10301 note; Public Law 104–298) is
13	amended by striking paragraph (2) and inserting the fol-
14	lowing:
15	"(2) Projects.—
16	"(A) Definitions.—In this paragraph:
17	"(i) Eligible desalination
18	PROJECT.—The term 'eligible desalination
19	project' means any project located in a
20	Reclamation State, or for which the con-
21	struction, operation, sponsorship, or fund-
22	ing is the responsibility of, and the pri-
23	mary water supply benefit accrues to, 1 or
24	more entities in a Reclamation State
25	that—

1	"(I) involves an ocean or brack-
2	ish water desalination facility—
3	"(aa) constructed, operated
4	and maintained by a State, In-
5	dian Tribe, irrigation district
6	water district, or other organiza-
7	tion with water or power delivery
8	authority; or
9	"(bb) sponsored or funded
10	by any combination of a State
11	department of a State, political
12	subdivision of a State, or public
13	agency organized pursuant to
14	State law, including through—
15	"(AA) direct sponsor-
16	ship or funding; or
17	"(BB) indirect sponsor-
18	ship or funding, such as by
19	paying for the water pro-
20	vided by the facility;
21	"(II) provides a Federal benefit
22	and
23	"(III) is consistent with applica-
24	ble Federal and State resource protec-
25	tion laws, including any law relating

1	to the protection of marine protected
2	areas.
3	"(ii) Authorizing committees of
4	CONGRESS; FEDERAL BENEFIT; RECLAMA-
5	TION STATE.—The terms 'authorizing com-
6	mittees of Congress', 'Federal benefit', and
7	'Reclamation State' have the meaning
8	given the terms in section 2 of the Support
9	To Rehydrate the Environment, Agri-
10	culture, and Municipalities Act.
11	"(iii) Rural desalination
12	PROJECT.—The term 'rural desalination
13	project' means an eligible desalination
14	project that is designed to serve a commu-
15	nity or group of communities, each of
16	which has a population of not more than
17	25,000 inhabitants.
18	"(B) Cost-sharing requirement.—
19	"(i) In general.—Subject to the re-
20	quirements of this subsection and notwith-
21	standing section 7, the Federal share of an
22	eligible desalination project carried out
23	under this subsection shall be—

1	"(I) not more than 25 percent of
2	the total cost of the eligible desalina-
3	tion project; or
4	"(II) in the case of a rural de-
5	salination project, the applicable per-
6	centage determined in accordance
7	with clause (ii).
8	"(ii) Rural desalination
9	PROJECTS.—
10	"(I) Cost-sharing require-
11	MENT FOR APPRAISAL STUDIES.—
12	Subject to subclause (IV), in the case
13	of a rural desalination project carried
14	out under this subsection, the Federal
15	share of the cost of appraisal studies
16	for the rural desalination project shall
17	be—
18	"(aa) 75 percent of the total
19	costs of the appraisal studies, up
20	to \$200,000; and
21	"(bb) if the total costs of
22	the appraisal studies are more
23	than \$200,000, 50 percent of any
24	amounts over \$200,000.

1	"(II) Cost-sharing require-
2	MENT FOR FEASIBILITY STUDIES.—
3	Subject to subclause (IV), in the case
4	of a rural desalination project carried
5	out under this subsection, the Federal
6	share of the cost of feasibility studies
7	for the rural desalination project shall
8	be not more than 50 percent.
9	"(III) Cost-sharing require-
10	MENT FOR CONSTRUCTION COSTS.—
11	Subject to subclause (IV), in the case
12	of a rural desalination project carried
13	out under this subsection, the Federal
14	share of the cost of construction of
15	the rural desalination project shall be
16	not more than 75 percent.
17	"(IV) REDUCTION IN NON-FED-
18	ERAL SHARE.—The Secretary may re-
19	duce the non-Federal share of a rural
20	desalination project required under
21	subclause (I), (II), or (III) by not
22	more than 10 percent if the Secretary
23	determines, after consultation with
24	the heads of any other Federal agen-
25	cies that are partners in the rural de-

1	salination project and in accordance
2	with applicable Reclamation stand-
3	ards, that the reduction is appropriate
4	due to—
5	"(aa) an overwhelming Fed-
6	eral interest in the rural desali-
7	nation project; and
8	"(bb) the sponsor of the
9	rural desalination project dem-
10	onstrating financial hardship.
11	"(iii) Limitation.—Funding for a
12	rural desalination project under clause (ii)
13	or the Water Infrastructure Finance and
14	Innovation Act of 2014 (33 U.S.C. 3901 et
15	seq.) shall not be considered for purposes
16	of the Federal share established under this
17	subparagraph.
18	"(C) State role.—Participation by the
19	Secretary in an eligible desalination project
20	under this paragraph shall not occur unless—
21	"(i)(I) the eligible desalination project
22	is included in a State-approved plan; or
23	"(II) the participation has been re-
24	quested by the Governor of the State in

1	which the eligible desalination project is lo-
2	cated;
3	"(ii) the State or local sponsor of the
4	eligible desalination project determines,
5	and the Secretary concurs, that—
6	"(I) the eligible desalination
7	project—
8	"(aa) is technically and fi-
9	nancially feasible;
10	"(bb) provides a Federal
11	benefit; and
12	"(cc) is consistent with ap-
13	plicable Federal and State laws
14	(including regulations);
15	"(II) sufficient non-Federal fund-
16	ing is available to complete the eligible
17	desalination project; and
18	"(III) the non-Federal project
19	sponsor is financially capable of fund-
20	ing the non-Federal share of the
21	project costs; and
22	"(iii) the Secretary submits to the au-
23	thorizing committees of Congress and
24	makes publicly available on the internet a
25	written notification of the determinations

1	under clause (ii) by not later than 30 days
2	after the date of the determinations.
3	"(D) Environmental laws.—To be eli-
4	gible to receive a grant under this subsection,
5	a desalination project shall comply with—
6	"(i) applicable Federal environmental
7	laws, including the National Environ-
8	mental Policy Act of 1969 (42 U.S.C.
9	4321 et seq.); and
10	"(ii) applicable State environmental
11	laws.
12	"(E) Information.—In participating in
13	an eligible desalination project under this sub-
14	section, the Secretary—
15	"(i) may rely on reports prepared by
16	the sponsor of the eligible desalination
17	project, including feasibility or equivalent
18	studies, environmental analyses, and other
19	pertinent reports and analyses; but
20	"(ii) shall retain responsibility for
21	making the independent determinations de-
22	scribed in subparagraph (C).
23	"(F) Funding.—
24	"(i) Authorization of appropria-
25	Tions.—In addition to amounts made

1	available under section 40901(5) of the In-
2	frastructure Investment and Jobs Act (43
3	U.S.C. 3201(5)), there is authorized to be
4	appropriated to carry out this paragraph
5	\$150,000,000 for the period of fiscal years
6	2024 through 2028, of which not less than
7	\$10,000,000 shall be made available dur-
8	ing the period for rural desalination
9	projects.
10	"(ii) Funding opportunity an-
11	NOUNCEMENT.—The Commissioner of Rec-
12	lamation shall release a funding oppor-
13	tunity announcement for a grant program
14	under this paragraph by not later than 75
15	days after the date of enactment of an Act
16	that provides funding for the program.".
17	(b) Prioritization of Projects.—Section 4 of the
18	Water Desalination Act of 1996 (42 U.S.C. 10301 note;
19	Public Law 104–298) is amended by striking subsection
20	(c) and inserting the following:
21	"(c) Prioritization.—In carrying out demonstra-
22	tion and development activities under this section, the Sec-
23	retary shall prioritize projects—
24	"(1) for the benefit of drought-stricken States
25	and communities;

1	"(2) for the benefit of States that have author-
2	ized funding for research and development of desali-
3	nation technologies and projects;
4	"(3) that demonstrably improve self-reliance on
5	local or regional water supplies in the case of any
6	project sponsors that rely on imported water sup-
7	plies that have an impact on species listed under the
8	Endangered Species Act of 1973 (16 U.S.C. 1531 et
9	seq.);
10	"(4) that demonstrably leverage the experience
11	of or partner with—
12	"(A) international entities with consider-
13	able expertise in desalination, such as Israel; or
14	"(B) nonprofit water research foundations
15	or institutions with expertise in technology in-
16	novation to advance sustainable desalination
17	processes or brine management;
18	"(5) located in a region that—
19	"(A) is impacted by salinity or brackish
20	groundwater; and
21	"(B) has agricultural production of na-
22	tional importance;
23	"(6) that support regional stakeholder-based
24	planning and implementation efforts to manage
25	brine and salinity for sustainability and improve-

1	ment of groundwater quality within an approved
2	basin plan;
3	"(7) that maximize the use of renewable energy
4	to power desalination facilities;
5	"(8) that maximize energy efficiency so that the
6	lifecycle energy demands of desalination are mini-
7	mized;
8	"(9) located in a region that has employed
9	strategies to increase water conservation and the
10	capture and recycling of wastewater and stormwater;
11	and
12	"(10) that, in the case of ocean desalination fa-
13	cilities—
14	"(A)(i) use a subsurface intake; or
15	"(ii) if a subsurface intake is not feasible,
16	use an intake that uses the best available site,
17	design, technology, and mitigation measures to
18	minimize the mortality of all forms of marine
19	life and impacts to coastal-dependent resources;
20	"(B) are sited and designed to ensure that
21	the disposal of wastewater (including brine from
22	the desalination process)—
23	"(i) is not discharged in a manner
24	that increases salinity levels in Federal or
25	State marine protected areas; and

1	"(ii) achieves ambient salinity levels
2	within a reasonable distance from the dis-
3	charge point;
4	"(C) are sited, designed, and operated in a
5	manner that maintains indigenous marine life
6	and a healthy and diverse marine community
7	within a reasonable distance from the discharge
8	point;
9	"(D) do not cause significant unmitigated
10	harm to aquatic life; and
11	"(E) include a construction and operation
12	plan designed to minimize loss of coastal habi-
13	tat as well as aesthetic, noise, and air quality
14	impacts.".
15	(c) Priority Scoring System.—As soon as prac-
16	ticable after the date of enactment of this Act, for pur-
17	poses of making recommendations to Congress for projects
18	to be carried out under section 4 of the Water Desalina-
19	tion Act of 1996 (42 U.S.C. 10301 note; Public Law 104–
20	298), the Commissioner of Reclamation shall establish a
21	priority scoring system that provides for the assignment
22	of priority scores for the projects based on the
23	prioritization criteria established under subsection (c) of
24	that section.

1	(d) Other Requirements.—Non-Federal entities
2	that receive Federal assistance for projects or facilities au-
3	thorized under this Act shall implement the projects or
4	facilities consistent with the standards for activities as-
5	sisted under section 401 of the Safe Drinking Water Act
6	Amendments of 1996 (42 U.S.C. 300j–3c).
7	(e) Research Authority.—Section 8(a) of the
8	Water Desalination Act of 1996 (42 U.S.C. 10301 note;
9	Public Law 104–298) is amended—
10	(1) in the first sentence, by striking "2021"
11	and inserting "2026"; and
12	(2) in the second sentence, by striking
13	"\$1,000,000" and inserting "\$3,000,000".
14	SEC. 105. RECLAMATION INFRASTRUCTURE FINANCE AND
15	INNOVATION PILOT PROGRAM.
16	(a) Establishment.—The Secretary shall establish
17	and carry out a pilot program under which the Secretary
18	shall provide to eligible entities described in subsection (c)
19	loans and technical assistance in accordance with this sec-
20	tion to carry out eligible projects described in subsection
21	(b).
22	(b) Eligible Projects.—
23	(1) In general.—A project eligible to receive

1	tion is a water supply or water conservation project
2	that, as determined by the Secretary—
3	(A) is located in—
4	(i) the State of Alaska;
5	(ii) the State of Hawaii; or
6	(iii) a State or territory described in
7	the first section of the Act of June 17,
8	1902 (32 Stat. 388, chapter 1093; 43
9	U.S.C. 391);
10	(B) would—
11	(i) contribute directly or indirectly (in-
12	cluding through groundwater recharge) to
13	a safe, adequate water supply for domestic,
14	agricultural, environmental, or municipal
15	and industrial use; or
16	(ii) promote water conservation or
17	water use efficiency; and
18	(C) is otherwise eligible for assistance
19	under this section.
20	(2) Projects associated with bureau of
21	RECLAMATION FACILITIES.—A project that supports
22	an improvement to, or is associated with, a Bureau
23	of Reclamation facility shall be eligible to receive as-
24	sistance under the pilot program under this section
25	if—

1	(A) the project meets the criteria described
2	in paragraph (1);
3	(B) the eligible entity carrying out the
4	project demonstrates to the satisfaction of the
5	Secretary that the eligible entity is initiating
6	and implementing the project for non-Federal
7	purposes;
8	(C) the eligible entity retains or secures,
9	through a long-term Federal property lease, op-
10	eration and maintenance transfer agreement
11	that provides for self-funding, or easement
12	agreement with the Secretary, substantial con-
13	trol over the assets, operation, management,
14	and maintenance of the project; and
15	(D) the project meets any other criteria
16	that the Secretary may establish.
17	(3) Small community projects.—For
18	projects eligible for assistance under this section and
19	section 5028(a)(2)(B) of the Water Resources Re-
20	form and Development Act of 2014 (33 U.S.C.
21	3907(a)(2)(B)), the Secretary may assist applicants
22	in combining 1 or more projects into a single appli-
23	cation in order to meet the minimum project cost of
24	\$5,000,000 required under that section.

1	(c) Eligible Applicants.—The following entities
2	are eligible to receive assistance under this section:
3	(1) An entity described in section 5025 of the
4	Water Resources Reform and Development Act of
5	2014 (33 U.S.C. 3904).
6	(2) A conservancy district, Reclamation district,
7	irrigation district, or water district.
8	(3) A canal company or mutual water company.
9	(4) A water users' association.
10	(5) An agency established by an interstate com-
11	pact.
12	(6) An agency established under State law for
13	the joint exercise of powers.
14	(7) Any other individual or entity that has the
15	capacity to contract with the United States under
16	the reclamation laws.
17	(d) Requirements.—
18	(1) Project selection.—In selecting eligible
19	projects to receive assistance under the pilot pro-
20	gram under this section, the Secretary shall ensure
21	diversity with respect to—
22	(A) project type; and
23	(B) geographical location within the States
24	referred to in subsection (b)(1)(A).

1	(2) Importation of other requirements.—
2	The following provisions of law shall apply to the
3	pilot program under this section:
4	(A) Sections 5022, 5024, 5027, 5028,
5	5029, 5030, 5031, 5032, and 5034(a) of the
6	Water Resources Reform and Development Act
7	of 2014 (33 U.S.C. 3901, 3903, 3906, 3907,
8	3908, 3909, 3910, 3911, 3913(a)), except
9	that—
10	(i) any reference contained in those
11	sections to the Secretary of the Army shall
12	be considered to be a reference to the Sec-
13	retary;
14	(ii) any reference contained in those
15	sections to an eligible project shall be con-
16	sidered to be a reference to an eligible
17	project described in subsection (b);
18	(iii) paragraphs (1)(E) and (6)(B) of
19	subsection (a), and subsection (b)(3), of
20	section 5028 of that Act (33 U.S.C. 3907)
21	shall not apply with respect to this section;
22	and
23	(iv) subsections (e) and (f) of section
24	5030 of that Act (33 U.S.C. 3909) shall
25	not apply with respect to this section.

1	(B) The agreement between the Adminis-
2	trator of the Environmental Protection Agency
3	and the Commissioner of Reclamation required
4	under section 4301 of the America's Water In-
5	frastructure Act of 2018 (33 U.S.C. 3909 note;
6	Public Law 115-270), pursuant to which the
7	Administrator shall retain responsibility for ad-
8	ministering any loans under this section.
9	(3) Environmental laws.—No project shall
10	receive funding under this section unless the project
11	complies with—
12	(A) applicable Federal environmental laws,
13	including the National Environmental Policy
14	Act of 1969 (42 U.S.C. 4321 et seq.); and
15	(B) applicable State environmental laws.
16	(e) Authorization of Appropriations.—
17	(1) In general.—There is authorized to be
18	appropriated to the Secretary to carry out the pilot
19	program under this section \$150,000,000 for the pe-
20	riod of fiscal years 2024 through 2028, to remain
21	available until expended.
22	(2) Administrative costs.—Of the funds
23	made available pursuant to paragraph (1), the Sec-
24	retary may use for administrative costs of carrying
25	out the pilot program under this section (including

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for the provision of technical assistance to project sponsors pursuant to paragraph (3), to obtain any necessary approval, and for transfer to the Administrator of the Environmental Protection Agency to provide assistance in administering and servicing Federal credit instruments under the pilot program) not more than \$5,000,000 for each applicable fiscal year.

(3) Small community projects.—

(A) IN GENERAL.—Subject to subsection (b), the Commissioner may use the funds made available under paragraph (2) to provide assistance, including assistance to pay the costs of acquiring the rating opinion letters under paragraph (1)(D) of section 5028(a) of the Water Resources Reform and Development Act of 2014 (33 U.S.C. 3907(a)), to assist project sponsors in obtaining the necessary approvals for small community projects that are eligible for assistance under paragraph (2)(B) of that section or subsection (b)(3).

(B) LIMITATION.—Assistance provided to a project sponsor under subparagraph (A) may not exceed an amount equal to 75 percent of the total administrative costs incurred by the

1	project sponsor in securing financial assistance
2	under this section.
3	SEC. 106. DRINKING WATER ASSISTANCE FOR DISADVAN-
4	TAGED COMMUNITIES.
5	(a) In General.—The Secretary (acting through the
6	Commissioner of Reclamation) may provide grants or
7	enter into contracts or financial assistance agreements
8	that provide not more than 100 percent of the cost of the
9	planning, design, or construction of water projects or fa-
10	cilities or features of water projects, the primary purpose
11	of which is to improve the domestic water supplies of com-
12	munities or households that do not have reliable access
13	to domestic water supplies in sufficient quantities or of
14	sufficient quality in a State or territory described in the
15	first section of the Act of June 17, 1902 (32 Stat. 388,
16	chapter 1093; 43 U.S.C. 391).
17	(b) Authorization of Appropriations.—
18	(1) Amount.—There is authorized to be appro-
19	priated to the Secretary to carry out this section
20	\$100,000,000 for the period of fiscal years 2024
21	through 2028.
22	(2) Multiple benefit projects.—The Sec-
23	retary shall use all or a portion of the funds made
24	available under subsection (a) to incorporate into
25	multiple benefit projects features or facilities to as-

1	sist in providing domestic water supplies to dis-
2	advantaged communities.
3	SEC. 107. EXTRAORDINARY OPERATION AND MAINTE-
4	NANCE WORK; PROJECT MODIFICATION.
5	(a) Reimbursement of Costs.—Section 9603(b) of
6	the Omnibus Public Land Management Act of 2009 (43
7	U.S.C. 510b(b)) is amended—
8	(1) in paragraph (1), by striking "reimbursable
9	purposes" and inserting "reimbursable and nonreim-
10	bursable purposes of the project and costs allocated
11	to a reimbursable purpose";
12	(2) in paragraph (2), by striking "costs" and
13	inserting "costs, including reimbursable and nonre-
14	imbursable costs"; and
15	(3) by adding at the end the following:
16	"(4) Determination of Reimbursable
17	COSTS.—Any costs expended under paragraph (1) or
18	advanced under paragraph (2) that are allocated to
19	existing nonreimbursable purposes of the project, in-
20	cluding costs to restore or add a public benefit (as
21	defined in section 2 of the Support To Rehydrate
22	the Environment, Agriculture, and Municipalities
23	Act), shall be considered to be nonreimbursable costs
24	for purposes of this subsection.".

1	(b) AUTHORIZATION TO MODIFY PROJECTS TO IN-
2	CREASE PUBLIC BENEFITS AND OTHER PROJECT BENE-
3	FITS.—Section 9603 of the Omnibus Public Land Man-
4	agement Act of 2009 (43 U.S.C. 510b) is amended by
5	adding at the end the following:
6	"(e) Authorization to Modify Projects to In-
7	CREASE PUBLIC BENEFITS AND OTHER PROJECT BENE-
8	FITS.—
9	"(1) Definitions.—In this subsection:
10	"(A) ADVERSE IMPACT.—The term 'ad-
11	verse impact' means, with respect to a project
12	modification, a reduction in water quantity or
13	quality or a change in the timing of water deliv-
14	eries available to a project beneficiary from the
15	modified project as compared to the water
16	quantity or quality or timing of water deliveries
17	from—
18	"(i) the project with the original ca-
19	pacity restored, if the extraordinary oper-
20	ation and maintenance work under this
21	section is intended to restore lost project
22	capacity;
23	"(ii) the project prior to undertaking
24	the planning and design, if the extraor-
25	dinary operation and maintenance work

1	under this section is for any purpose other
2	than to restore lost project capacity; or
3	"(iii) project operations of the modi-
4	fied project without an increase in benefits
5	for a new project beneficiary under para-
6	graph $(2)(E)$.
7	"(B) New Benefit.—The term 'new ben-
8	efit' means the increase in benefits of the modi-
9	fied project compared to the benefits provided
10	by—
11	"(i) the project with the original ca-
12	pacity restored, if the extraordinary oper-
13	ation and maintenance work under this
14	section is intended to restore lost project
15	capacity; or
16	"(ii) the project prior to undertaking
17	the planning and design, if the extraor-
18	dinary operation and maintenance work
19	under this section is for any purpose other
20	than to restore lost project capacity.
21	"(C) Project beneficiary.—The term
22	'project beneficiary' means any entity that has
23	a repayment, long-term water service, or other
24	form of long-term contract or agreement exe-
25	cuted pursuant to the Act of June 17, 1902 (32

1	Stat. 388, chapter 1093), and Acts supple-
2	mental to and amendatory of that Act (43
3	U.S.C. 371 et seq.), for water service from the
4	project.
5	"(D) Public Benefit.—The term 'public
6	benefit' has the meaning given the term in sec-
7	tion 2 of the Support To Rehydrate the Envi-
8	ronment, Agriculture, and Municipalities Act.
9	"(2) Authorization; requirements.—
10	"(A) IN GENERAL.—In a case in which a
11	project is anticipated to require extraordinary
12	operation and maintenance work during the 10-
13	year period beginning on January 1, 2023, the
14	Secretary, in consultation with any transferred
15	works operating entity and any project bene-
16	ficiaries, may develop and carry out a proposal
17	to modify project features to increase public
18	benefits and other project benefits, including
19	carrying out a feasibility study and conducting
20	any applicable environmental analysis required
21	for the proposal, subject to subparagraphs (B)
22	through (F).
23	"(B) Maximum cost.—The maximum
24	amount that may be added to the original

1	project cost as a result of a project modification
2	under subparagraph (A) shall not exceed—
3	"(i) an amount equal to 25 percent of
4	the original cost of the project, in the case
5	of a project for which the original cost of
6	the project exceeds \$100,000,000; or
7	"(ii) \$25,000,000, in the case of a
8	project for which the original cost of the
9	project is not more than \$100,000,000.
10	"(C) Public benefits.—In the case of a
11	project modification under subparagraph (A),
12	not less than 50 percent of the new benefits
13	provided by the modification of the project shall
14	be public benefits.
15	"(D) Written consent required.—A
16	project modification under subparagraph (A)
17	shall not be constructed until the date on which
18	the Secretary has obtained the written consent
19	of—
20	"(i) the transferred works operating
21	entity, if applicable; and
22	"(ii) consistent with paragraph (3),
23	any project beneficiary that would experi-
24	ence an adverse impact as a result of the
25	modification of the project.

"(E) ADVERSE IMPACT.—Any benefits that
accrue to a new project beneficiary resulting
from operations of the modified project shall
not be increased without the consent of existing
project beneficiaries that would experience ar
adverse impact as a result of the modification
of the project.
"(F) REIMBURSEMENT OF COSTS.—The
costs of planning, design, and environmenta
compliance for a project modification under
subparagraph (A) shall be reimbursed in ac-
cordance with subsection (b), except that any or
the costs that would otherwise be allocated to a
project beneficiary shall be considered nonreim-
bursable if the project beneficiary does not re-
ceive any increase in long-term average annua
water deliveries as a result of the modification
"(3) Procedure for obtaining consent
AND TIME LIMITATION.—
"(A) Initial Determination.—The Sec
retary shall initially determine whether the con-
sent of a project beneficiary is required prior to
construction under paragraph (2)(D) based or
whether the modification or subsequent oper-

1	ations of the modified project would have any
2	adverse impacts on a project beneficiary.
3	"(B) Written request for consent.—
4	The Secretary shall provide to the transferred
5	works operating entity, if any, and any project
6	beneficiaries, in writing—
7	"(i) a description of the proposed
8	modification and subsequent operations of
9	the project; and
10	"(ii)(I) a request for consent under
11	paragraph (2)(D); or
12	"(II)(aa) an explanation that the Sec-
13	retary has determined that no consent is
14	required under paragraph (2)(D); and
15	"(bb) a statement that if the project
16	beneficiary believes that the consent of the
17	project beneficiary is required, the project
18	beneficiary shall send to the Secretary a
19	reply not later than 30 days after the date
20	of receipt of the notice that includes an ex-
21	planation of the reasons that the project
22	beneficiary would experience adverse im-
23	pacts as a result of the project modifica-
24	tion.
25	"(C) FINAL DETERMINATION —

1	"(i) Written response.—The Sec-
2	retary shall respond in writing to any reply
3	from a project beneficiary under subpara-
4	graph (B)(ii)(II)(bb) stating whether or
5	not the Secretary determines that the
6	project beneficiary would experience ad-
7	verse impacts as a result of the project
8	modification.
9	"(ii) Final agency action.—A writ-
10	ten determination by the Secretary under
11	clause (i) shall be considered to be a final
12	agency action for purposes of section 704
13	of title 5, United States Code.
14	"(iii) Written request.—If the
15	Secretary determines under clause (i) that
16	the project beneficiary would experience
17	adverse impacts as a result of the project
18	modification, the Secretary shall send to
19	the project beneficiary a written request
20	for consent in accordance with subpara-
21	graph (B)(ii).
22	"(D) Time period for consent.—
23	"(i) IN GENERAL.—If written consent
24	required under paragraph (2)(D) is not ob-
25	tained by the date that is 1 year after the

1	date on which written consent is requested
2	under subparagraph (B)(ii), the Secretary
3	or the transferred works operating entity,
4	as applicable, shall proceed with extraor-
5	dinary operation and maintenance work of
6	the project without the modification, unless
7	the Secretary extends the time for consent
8	under clause (ii).
9	"(ii) Extension.—At the discretion
10	of the Secretary, the Secretary may elect
11	to extend the time for obtaining consent
12	under paragraph (2)(D) by 1 year.
10	"(4) Prairogamion of cooms pages on
13	"(4) Reallocation of costs based on
13 14	PROJECT CHANGES AND INCREASED PUBLIC BENE-
14	PROJECT CHANGES AND INCREASED PUBLIC BENE-
14 15	PROJECT CHANGES AND INCREASED PUBLIC BENE- FITS.—The Secretary shall allocate costs, including
14 15 16	PROJECT CHANGES AND INCREASED PUBLIC BENE- FITS.—The Secretary shall allocate costs, including capital repayment costs and operation and mainte-
14151617	PROJECT CHANGES AND INCREASED PUBLIC BENE- FITS.—The Secretary shall allocate costs, including capital repayment costs and operation and mainte- nance costs, for a project modification under para-
1415161718	PROJECT CHANGES AND INCREASED PUBLIC BENE- FITS.—The Secretary shall allocate costs, including capital repayment costs and operation and mainte- nance costs, for a project modification under para- graph (2), to provide that—
14 15 16 17 18 19	PROJECT CHANGES AND INCREASED PUBLIC BENE- FITS.—The Secretary shall allocate costs, including capital repayment costs and operation and mainte- nance costs, for a project modification under para- graph (2), to provide that— "(A) the public benefits provided by the
14 15 16 17 18 19 20	PROJECT CHANGES AND INCREASED PUBLIC BENE- FITS.—The Secretary shall allocate costs, including capital repayment costs and operation and mainte- nance costs, for a project modification under para- graph (2), to provide that— "(A) the public benefits provided by the modified project, including associated annual
14 15 16 17 18 19 20 21	PROJECT CHANGES AND INCREASED PUBLIC BENE- FITS.—The Secretary shall allocate costs, including capital repayment costs and operation and mainte- nance costs, for a project modification under para- graph (2), to provide that— "(A) the public benefits provided by the modified project, including associated annual operation and maintenance costs, shall be non-

changes in the benefits that the modified
project is providing to the project beneficiary.
"(5) Incentive for benefitting entities
TO PARTICIPATE IN PROJECTS WITH INCREASED
PUBLIC BENEFITS.—The total amount of reimburs-
able capital costs, as determined under paragraph
(4), for a project modification that would increase
public benefits without increasing municipal, indus-
trial, or irrigation benefits of a project, shall be re-
duced by 15 percent, with each project beneficiary to
be responsible for 85 percent of the reimbursable
costs that would otherwise be allocated to the project
beneficiary.
"(6) Reimbursable funds.—All reimbursable
costs under this subsection shall be repaid in accord-
ance with subsection (b).".
SEC. 108. USE OF REVENUE TO IMPROVE DROUGHT RESIL
IENCE OR DAM SAFETY.
(a) DEFINITIONS.—In this section:
(1) Dam safety investment.—The term
"dam safety investment" means a project to satisfy
dam safety standards —
(A) under the Federal Guidelines for Dam
Safety issued by the Federal Emergency Man-

1	agement Agency or the Interagency Committee
2	on Dam Safety;
3	(B) under the Bureau of Reclamation Dam
4	Safety Program, including repayment of an ob-
5	ligation for a corrective action taken pursuant
6	to that program; or
7	(C) required by the State in which a Bu-
8	reau of Reclamation project or facility is lo-
9	cated.
10	(2) Drought resilience investment.—The
11	term "drought resilience investment" means—
12	(A) an improvement or addition to an eligi-
13	ble facility that will increase drought resilience
14	in a Reclamation State; or
15	(B) annual payments on repayment obliga-
16	tions incurred under section 9603 of the Omni-
17	bus Public Land Management Act of 2009 (43
18	U.S.C. 510b).
19	(3) ELIGIBLE FACILITY.—The term "eligible fa-
20	cility'' means—
21	(A) a project or facility owned by the Bu-
22	reau of Reclamation; and
23	(B) a non-Federal facility that stores
24	transports, or delivers water to or from a Bu-
25	reau of Reclamation project or facility.

1 (4)ELIGIBLE TEMPORARY TRANSFER.—The 2 term "eligible temporary transfer" means the tem-3 porary and voluntary selling, leasing, or exchanging 4 of water or water rights among individuals or agen-5 cies that is allowable under the reclamation laws and 6 the water law of the applicable State. 7 (5)Transferor.—The term "transferor" 8 means the holder of a water service, transferred 9 works, water repayment, or other contract that enti-10 tles the holder to water from a Bureau of Reclama-11 tion project or facility that undertakes an eligible 12 temporary transfer. (b) Use of Revenue for Drought Resilience 13 14 INVESTMENTS OR DAM SAFETY INVESTMENTS.— 15 (1) In General.—Notwithstanding the Act of 16 February 25, 1920 (41 Stat. 451, chapter 86; 43 17 U.S.C. 521), or subsection J of section 4 of the Act 18 of December 5, 1924 (43 Stat. 703, chapter 4; 43 19 U.S.C. 526), all amounts derived from an eligible 20 temporary transfer that would otherwise be depos-21 ited in the reclamation fund established by the first 22 section of the Act of June 17, 1902 (32 Stat. 388, 23 chapter 1093; 43 U.S.C. 391), shall remain available 24 to the transferor.

1	(2) USE OF FUNDS.—Any funds retained by a
2	transferor under paragraph (1) may be—
3	(A) used for a drought resilience invest-
4	ment or dam safety investment; or
5	(B) placed in the reserve account of the
6	transferor, to be used for future drought resil-
7	ience investments or dam safety investments
8	subject to paragraph (3).
9	(3) Transfer of unused funds to rec-
10	LAMATION FUND.—Any funds placed in the reserve
11	account of the transferor pursuant to paragraph
12	(2)(B) that are not used for drought resilience in-
13	vestments or dam safety investments by the date
14	that is 10 years after the date of the placement shall
15	be transferred to the reclamation fund established by
16	the first section of the Act of June 17, 1902 (32
17	Stat. 388, chapter 1093).
18	(4) Reporting.—The transferor shall report to
19	the Commissioner of Reclamation on the use of any
20	uses of funds derived from an eligible temporary
21	transfer.
22	(5) Effect of Section.—
23	(A) In General.—Nothing in this sec-
24	tion—

1	(i) affects any other authority of the
2	Secretary to use amounts derived from rev-
3	enues from a Bureau of Reclamation
4	project; or
5	(ii) creates, impairs, alters, or super-
6	sedes a State water right.
7	(B) APPLICABLE LAW.—Any eligible tem-
8	porary transfer shall comply with all applica-
9	ble—
10	(i) State water laws;
11	(ii) Federal laws and policies; and
12	(iii) interstate water compacts.
13	(c) Reclamation Laws.—This section supplements
14	and amends the Act of June 17, 1902 (32 Stat. 388, chap-
15	ter 1093), and Acts supplemental to and amendatory of
16	that Act (43 U.S.C. 371 et seq.).
17	TITLE II—IMPROVED
18	TECHNOLOGY AND DATA
19	SEC. 201. REAUTHORIZATION OF THE TRANSBOUNDARY AQ-
20	UIFER ASSESSMENT PROGRAM.
21	(a) Designation of Priority Transboundary
22	AQUIFERS.—Section $4(c)(2)$ of the United States-Mexico
23	Transboundary Aquifer Assessment Act (42 U.S.C. 1962
24	note; Public Law 109–448) is amended by striking "New
25	Mexico or Texas" and inserting "New Mexico, Texas, or

- 1 Arizona (other than an aquifer underlying Arizona and
- 2 Sonora, Mexico, that is partially within the Yuma ground-
- 3 water basin designated by the order of the Director of the
- 4 Arizona Department of Water Resources dated June 21,
- 5 1984)".
- 6 (b) Reauthorization.—
- 7 (1) AUTHORIZATION OF APPROPRIATIONS.—
- 8 Section 8(a) of the United States-Mexico Trans-
- 9 boundary Aquifer Assessment Act (42 U.S.C. 1962)
- note; Public Law 109–448) is amended by striking
- 11 "\$50,000,000 for the period of fiscal years 2007
- through 2016" and inserting "\$50,000,000 for the
- period of fiscal years 2024 through 2028".
- 14 (2) Sunset of Authority.—Section 9 of the
- 15 United States-Mexico Transboundary Aquifer As-
- sessment Act (42 U.S.C. 1962 note; Public Law
- 17 109–448) is amended by striking "enactment of this
- 18 Act" and inserting "enactment of the Support To
- 19 Rehydrate the Environment, Agriculture, and Mu-
- 20 nicipalities Act".

1 TITLE III—ECOSYSTEM RES-2 TORATION AND PROTECTION

3	SEC. 301. ECOSYSTEM RESTORATION.
4	(a) Definitions.—Section 40907 of the Infrastruc-
5	ture Investment and Jobs Act (43 U.S.C. 3207) is amend-
6	ed by striking subsection (a) and inserting the following:
7	"(a) Definitions.—In this section:
8	"(1) Committee.—The term 'Committee'
9	means the Integrated Water Management Federal
10	Leadership Committee established under subsection
11	(f)(1).
12	"(2) Eligible Applicant.—The term 'eligible
13	applicant' means—
14	"(A) a State;
15	"(B) a Tribal or local government;
16	"(C) an organization with power, water de-
17	livery, or water storage authority;
18	"(D) a regional authority; or
19	"(E) a nonprofit conservation organization.
20	"(3) Project.—The term 'project' includes—
21	"(A) planning, design, permitting, and
22	preconstruction activities;
23	"(B) construction, construction manage-
24	ment, replacement, and other similar activities;

1	"(C) management activities, including the
2	acquisition of an interest in land or water, in-
3	cluding the acquisition of a conservation ease-
4	ment;
5	"(D) research, development, demonstration
6	(including the demonstration of the scalability
7	of a project or activity), and monitoring; and
8	"(E) project administration activities, in-
9	cluding the payment of fees associated with im-
10	plementing the project or activity.".
11	(b) Requirements.—Section 40907(c)(1) of the In-
12	frastructure Investment and Jobs Act (43 U.S.C.
13	3207(c)(1)) is amended by striking subparagraph (B) and
14	inserting the following:
15	"(B) may not provide a grant to carry out
16	a habitat restoration project the purpose of
17	which is to meet existing environmental mitiga-
18	tion or compliance obligations that are express
19	requirements of a permit or order issued under
20	Federal or State law, unless such requirements
21	expressly contemplate reliance on Federal fund-
22	ing in performance of the requirements."; and
23	(c) Other Amendments.—Section 40907 of the In-
24	frastructure Investment and Jobs Act (43 U.S.C. 3207)
25	is amended by adding at the end the following:

1	"(e) Other Actions.—
2	"(1) IN GENERAL.—In addition to other activi-
3	ties authorized under this section, the Secretary may
4	undertake actions and enter into contracts and
5	agreements to implement projects that implement
6	watershed health, including projects described in
7	subsection (b)(3), that—
8	"(A) accomplish 1 or more of the purposes
9	described in subsection (b); and
10	"(B) are consistent with the requirements
11	described in subsection (e).
12	"(2) Reimbursability.—The expenditures of
13	the Secretary under this subsection and subsection
14	(f) shall be nonreimbursable.
15	"(f) 'Leave Behind' Water Transfers.—
16	"(1) Purpose.—The purpose of this subsection
17	is to authorize the Secretary to address habitat
18	needs and promote collaborative, multi-benefit water
19	management through water sharing arrangements
20	that incorporate habitat and other public benefits
21	into voluntary crop idling water transfers.
22	"(2) Authorization of acquisition.—In ap-
23	proving a water transfer within a Federal reclama-
24	tion project that results in voluntary fallowing of
25	crop land in the Sacramento Valley or Sacramento-

1	San Joaquin River Delta, the Secretary may acquire
2	a portion of the volume of water made available for
3	transfer if the Secretary determines that crop land
4	idled because of the transfer would create temporary
5	wildlife habitat with the application of the acquired
6	water, subject to paragraph (3).
7	"(3) Requirements.—In acquiring water pur-
8	suant to paragraph (2), the Secretary shall—
9	"(A) develop implementation guidelines in
10	consultation with relevant stakeholders;
11	"(B) only acquire a portion of the volume
12	of water made available for transfer if the
13	transferor and the transferee agree to the ac-
14	quisition;
15	"(C) negotiate a mutually agreeable vol-
16	ume of water for acquisition with the transferor
17	and the transferee;
18	"(D) pay not more per volume of water
19	than the price negotiated between the trans-
20	feror and transferee for the water to be trans-
21	ferred;
22	"(E) compensate the transferor for any
23	reasonable incremental costs associated with
24	managing the water acquired to create tem-
25	porary wildlife habitat; and

1	"(F) apply the acquired water to idled crop
2	land to create temporary wildlife habitat.
3	"(4) Prioritization.—The Secretary shall
4	give priority to approving and facilitating transfers
5	under this subsection that incorporate voluntary
6	habitat and other public benefits that exceed the
7	benefits provided under regulatory requirements.
8	"(5) Treatment.—Water acquired by the Sec-
9	retary under paragraph (2) shall be in addition to,
10	and not a substitute for, actions required to meet
11	obligations under existing law, including—
12	"(A) the Central Valley Project Improve-
13	ment Act (title XXXIV of Public Law 102–575;
14	106 Stat. 4706); and
15	"(B) the Endangered Species Act of 1973
16	(16 U.S.C. 1531 et seq.).
17	"(6) Reporting.—The Secretary shall annu-
18	ally submit to the authorizing committees of Con-
19	gress (as defined in section 2 of the Support To Re-
20	hydrate the Environment, Agriculture, and Munici-
21	palities Act) a report that describes, for the period
22	covered by the report—
23	"(A) the volume of water acquired under
24	paragraph (2); and

1	"(B) the extent and duration of temporary
2	wildlife habitat created under that paragraph.
3	"(g) Integrated Water Management Federal
4	LEADERSHIP COMMITTEE FOR ASSISTING PROJECTS AT
5	THE REQUEST OF A SPONSOR.—
6	"(1) Establishment.—Not later than 180
7	days after the date on which an eligible entity or
8	qualified partner sponsoring a habitat restoration
9	project that receives a grant under this section sub
10	mits to the Secretary a request for the establishmen
11	of the Integrated Water Management Federal Lead
12	ership Committee, the Secretary shall establish the
13	Integrated Water Management Federal Leadership
14	Committee.
15	"(2) Chairperson.—The Assistant Secretary
16	for Water and Science of the Department of the In
17	terior shall—
18	"(A) serve as the chairperson of the Com
19	mittee; and
20	"(B) coordinate the activities of, and com
21	munication among, members of the Committee
22	"(3) Membership.—The Committee shall in
23	clude representatives of Federal agencies with re
24	sponsibility for water and natural resource issues
25	including representatives of—

1	"(A) the Bureau of Reclamation;
2	"(B) the United States Fish and Wildlife
3	Service;
4	"(C) the National Marine Fisheries Serv-
5	ice;
6	"(D) the Corps of Engineers;
7	"(E) the Environmental Protection Agen-
8	cy; and
9	"(F) the Department of Agriculture.
10	"(4) Duties and responsibilities.—The
11	members of the Committee shall establish the duties
12	and responsibilities of the Committee, including—
13	"(A) facilitating communication and col-
14	laboration among Federal agencies to support
15	and advance any projects for which an eligible
16	entity or qualified partner requests the assist-
17	ance of the Committee;
18	"(B) ensuring the effective coordination
19	among relevant Federal agencies and depart-
20	ments to ensure accelerated implementation of
21	any projects for which an eligible entity or
22	qualified partner requests the assistance of the
23	Committee; and
24	"(C) making policy and budgetary rec-
25	ommendations, if determined to be appropriate

1	by the Committee, to support the implementa-
2	tion of projects.
3	"(5) Project assistance.—On request of an
4	eligible entity or a qualified partner for a habitat
5	restoration project, the Committee shall assist that
6	project with permit processing and interagency co-
7	ordination.
8	"(h) Authorization of Appropriations.—In ad-
9	dition to amounts made available under section
10	40901(11), there is authorized to be appropriated to the
11	Secretary \$250,000,000 to carry out this section for the
12	period of fiscal years 2024 through 2028, of which—
13	(1) \$150,000,000 shall be made available for
14	the competitive grant program described in sub-
15	section (b); and
16	(2) \$100,000,000 shall be made available for
17	other actions described in subsection (e) and to
18	carry out subsection (f).
19	"(i) Applicable Law.—Nothing in this section af-
20	fects or modifies—
21	"(1) the obligations of the Secretary under—
22	"(A) the reclamation laws; or
23	"(B) Federal environmental laws, includ-
24	ing—

1	"(i) the Central Valley Project Im-
2	provement Act (title XXXIV of Public Law
3	102–575; 106 Stat. 4706); and
4	"(ii) the Endangered Species Act of
5	1973 (16 U.S.C. 1531 et seq.); or
6	"(2) the obligations of a non-Federal party to
7	comply with applicable Federal and State laws.".
8	SEC. 302. PERFORMANCE-BASED RESTORATION AUTHOR-
9	ITY.
10	(a) Definitions.—In this section:
11	(1) Eligible Project.—The term "eligible
12	project" means a habitat or ecosystem restoration,
13	mitigation, or enhancement project or activity au-
14	thorized individually or through an existing Federal
15	program.
16	(2) ELIGIBLE RESTORATION PROVIDER.—The
17	term "eligible restoration provider" means a non-
18	Federal for-profit or nonprofit organization, com-
19	pany, or corporation, or a State, Tribal, or local gov-
20	ernment, that is bonded, insured, and experienced in
21	financing and completing successful habitat and res-
22	toration, mitigation, and enhancement activities.
23	(3) Performance-based.—The term "per-
24	formance-based" means, with respect to a contract,
25	grant agreement, cooperative agreement, or fixed

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amount award, a pay-for-performance, pay-for-success, pay-for-results, or similar model by which the restoration provider agrees to finance and complete habitat or ecosystem restoration, mitigation, or enhancement activities, with payment to the restoration provider linked to delivery of verifiable and successful ecological performance, based on metrics and the timeframe established in advance by the Secretary.

(4) RESTORATION PROVIDER.—The term "restoration provider" means a non-Federal organization that performs restoration services contracted for, agreed to, or awarded under a contract or agreement entered into under subsection (b)(1).

(b) AUTHORIZATION.—

(1) In General.—Subject to subsection (j), in implementing existing authorities under Federal law related to habitat and ecosystem restoration, mitigation, or enhancement, the Secretary may enter into performance-based contracts, grant agreements, and cooperative agreements, including providing funding through fixed amount awards, with eligible restoration providers for the conduct of eligible projects for which ecological targets and outcomes are—

(A) clearly defined;

1	(B) agreed to in advance; and
2	(C) capable of being successfully achieved
3	(2) Performance-based contracts.—For
4	purposes of paragraph (1), the Secretary may enter
5	into performance-based contracts with eligible res-
6	toration providers experienced in financing and com-
7	pleting successful ecological habitat and restoration
8	mitigation, and enhancement activities.
9	(3) Grants and Awards.—For purposes of
10	paragraph (1), the Secretary—
11	(A) may provide funding through grant
12	agreements and cooperative agreements, includ-
13	ing fixed amount awards, for eligible projects
14	and
15	(B) shall allow for the use of performance-
16	based tools in the agreements and awards de-
17	scribed in subparagraph (A).
18	(4) Pass-through grants and awards.—
19	For purposes of paragraph (1), the Secretary—
20	(A) may allow funding provided to States
21	local governments, Indian Tribes, and nonprofit
22	organizations to be passed through to third-
23	party eligible restoration providers under a con-
24	tract or agreement entered into under that
25	paragraph; and

(B) shall allow for the use of performance-
based tools in grant and cooperative agreements
entered into with eligible restoration providers
under that paragraph.
(5) Multi-Year agreements.—The Secretary
may use performance-based contracts, grant agree-
ments, and cooperative agreements, including fixed
amount awards, issued under this section for multi-
year agreements, including capacity for multi-year
payment schedules for professional services, subject
to appropriations prior to obligation.
(c) Guidelines.—
(1) IN GENERAL.—Not later than 1 year after
the date of enactment of this Act, the Secretary
shall develop programmatic guidelines for the use of
performance-based contracts, grant agreements, and
cooperative agreements for eligible projects author-
ized under subsection $(b)(1)$.
(2) Consultation required.—
(A) In GENERAL.—In developing the
guidelines under paragraph (1), the Secretary
shall consult with external organizations and
other appropriate entities with experience in
performance-based contracts, agreements, or

1	awards, consistent with sections 6302 through
2	6305 of title 31, United States Code.
3	(B) LIMITATION.—Consultation with the
4	organizations and entities described in subpara-
5	graph (A) shall not constitute or necessitate es-
6	tablishment of an advisory committee under the
7	Federal Advisory Committee Act (5 U.S.C.
8	App.).
9	(3) Requirements.—At a minimum, guide-
10	lines developed under paragraph (1) shall include
11	guidance on—
12	(A) appropriate proposal and evaluation
13	criteria for eligible projects;
14	(B) eligibility criteria for restoration pro-
15	viders;
16	(C) criteria for defining achievable ecologi-
17	cal outcomes; and
18	(D) determination of restoration provider
19	financial assurances sufficient to ensure ecologi-
20	cal outcomes will be successfully achieved.
21	(d) Identification of Eligible Projects.—The
22	Secretary shall—
23	(1) identify eligible projects for the use of con-
24	tracts and agreements under subsection (b)(1); and

1	(2) issue a request for proposals from eligible
2	restoration providers to meet the ecological require-
3	ments of habitat and ecosystem restoration, mitiga-
4	tion, and enhancement for the eligible projects iden-
5	tified under paragraph (1).
6	(e) CERTIFICATION.—After the date on which an eli-
7	gible project identified under subsection (d)(1) is com-
8	pleted, the Secretary shall certify that the work on the
9	eligible project was completed in accordance with the eco-
10	logical requirements and outcomes defined in advance in
11	the applicable contract or agreement.
12	(f) TECHNICAL ASSISTANCE.—At the request of an
13	eligible restoration provider entering into a contract or
14	agreement with the Secretary under subsection (b)(1), the
15	Secretary may provide to the eligible restoration provider
16	technical assistance with respect to—
17	(1) conducting a study, engineering activity, or
18	design activity related to an eligible project carried
19	out by the eligible restoration provider under this
20	section; and
21	(2) obtaining permits necessary for the eligible
22	project.
23	(g) Effect.—Nothing in this section authorizes the
24	Secretary to waive—
25	(1) the obligations of the Secretary under—

1	(A) the National Environmental Policy Act
2	of 1969 (42 U.S.C. 4321 et seq.);
3	(B) the Endangered Species Act of 1973
4	(16 U.S.C. 1531 et seq.);
5	(C) the Federal Water Pollution Control
6	Act (33 U.S.C. 1251 et seq.); or
7	(D) any other provision of Federal environ-
8	mental law; or
9	(2) the obligations of a non-Federal party to
10	comply with applicable Federal and State laws.
11	(h) Non-Federal Funding.—The restoration pro-
12	vider may finance the applicable non-Federal share of an
13	eligible project carried out under the authority provided
14	under subsection (b)(1), on the condition that the non-
15	Federal cost-share responsibility remains with the non-
16	Federal party.
17	(i) Cost Share.—Nothing in this section affects a
18	cost-sharing requirement under Federal law that is appli-
19	cable to an eligible project carried out under the authority
20	provided under subsection (b)(1).
21	(j) MITIGATION.—Nothing in this section authorizes
22	Federal funding to meet existing environmental mitigation
23	or compliance obligations that are express requirements
24	of a permit or order issued under Federal or State law,

unless the requirements expressly contemplate reliance on Federal funding for the performance of the requirements. 2 3 (k) Report.— 4 (1) IN GENERAL.—Not later than 3 years after 5 the date of enactment of this Act, the Secretary 6 shall— 7 (A) submit to the authorizing committees 8 of Congress and make publicly available a re-9 port describing the results of activities carried 10 out under the authority established under sub-11 section (b)(1), including any recommendations 12 of the Secretary on whether the authority or 13 any component of the authorized activities 14 should be implemented on a national basis; and 15 (B) except as provided in subsection (g), 16 identify any procedural requirements that im-17 pede the use of performance-based contracts, 18 grants, and cooperative agreements, including 19 fixed amount awards, for the development and 20 completion of eligible projects. 21 (2)ADDRESSING IMPEDIMENTS.—Not later 22 than 1 year after the date on which the Secretary 23 identifies impediments, if any, under paragraph 24 (1)(B), the Secretary shall develop and implement 25 programmatic procedures and approaches, including

1	recommendations to the authorizing committees of
2	Congress on legislation, that would—
3	(A) to the extent practicable, address the
4	impediments; and
5	(B) protect the public interest and any
6	public investment in eligible projects carried out
7	under this section.
8	TITLE IV—MISCELLANEOUS
9	SEC. 401. MODIFICATIONS TO DROUGHT PROGRAM UNDER
10	THE RECLAMATION STATES EMERGENCY
11	DROUGHT RELIEF ACT OF 1991.
12	(a) Assistance During Drought; Water Pur-
13	CHASES.—Section 101 of the Reclamation States Emer-
14	gency Drought Relief Act of 1991 (43 U.S.C. 2211) is
15	amended—
16	(1) in subsection (a)—
17	(A) in the first sentence, by striking "Con-
18	sistent" and inserting the following:
19	"(1) In general.—Subject to paragraph (2)
20	and consistent";
21	(B) in paragraph (1) (as so designated), in
22	the second sentence, by striking "Any construc-
23	tion activities" and inserting the following:
24	"(2) Limitation.—Any construction activi-
25	ties'; and

1	(C) in paragraph (2) (as so designated), by
2	striking "except that" and all that follows
3	through the period at the end and inserting the
4	following: "except that the following may be
5	permanent facilities:
6	"(A) A construction project—
7	"(i) for which Federal expenditures
8	are not more than \$30,000,000; and
9	"(ii) that is supported by—
10	"(I) the Governor or the relevant
11	agency head of the affected State; or
12	"(II) if the construction project
13	is on a reservation, by the affected In-
14	dian Tribe.
15	"(B) A well drilled to minimize losses and
16	damages from drought conditions that—
17	"(i) aligns with applicable local, State,
18	or regional groundwater sustainability
19	goals; or
20	"(ii) supports drinking water supplies
21	for a disadvantaged community (as defined
22	in section 2 of the Support To Rehydrate
23	the Environment, Agriculture, and Munici-
24	palities Act) or Indian Tribe."; and
25	(2) by adding at the end the following:

I	"(e) F'UNDING FOR F'EE-BASED ENVIRONMENTAL
2	Programs.—
3	"(1) In general.—For any fiscal year for
4	which, due to a drought, as determined by the Sec-
5	retary, there are insufficient funds to carry out any
6	environmental program that is funded in whole or in
7	part by fees based on the water volume of water de-
8	livered by a Federal reclamation project (including
9	fees collected under section 3407(c) of the Reclama-
10	tion Projects Authorization and Adjustment Act of
11	1992 (Public Law 102–575; 106 Stat. 4726)), the
12	Secretary may use other unobligated amounts made
13	available to the Secretary to carry out the environ-
14	mental program for the fiscal year.
15	"(2) Nonreimbursable funds.—Notwith-
16	standing any other provision of law, amounts made
17	available under paragraph (1) shall be nonreimburs-
18	able.
19	"(3) Effect.—Nothing in this subsection af-
20	fects—
21	"(A) the authority of the Secretary to ad-
22	dress insufficient funding for an environmental
23	program described in paragraph (1) that is not
24	a result of a drought; or

1	"(B) the obligations of the Secretary to the
2	environment under Federal law.".
3	(b) Applicable Period of Drought Program.—
4	Section 104 of the Reclamation States Emergency
5	Drought Relief Act of 1991 (43 U.S.C. 2214) is amend-
6	ed—
7	(1) by striking subsection (a) and inserting the
8	following:
9	"(a) In General.—The programs and authorities
10	established under this title shall not become operative in
11	any Reclamation State or in the State of Hawaii until the
12	date on which—
13	"(1)(A) the Governor of the affected State, and
14	the governing body of the affected Indian Tribe with
15	respect to a reservation, has made a request for tem-
16	porary drought assistance; and
17	"(B) the Secretary has determined that the
18	temporary assistance is merited;
19	"(2) a drought emergency has been declared for
20	a State or portion of a State by the Governor of
21	each affected State; or
22	"(3) a drought contingency plan is approved in
23	accordance with title II."; and
24	(2) in subsection (e), by striking "2021" and
25	inserting "2031".

1	(c) Municipal Wells; Funding Under the In-
2	FRASTRUCTURE INVESTMENT AND JOBS ACT.—Section
3	9504(a)(3) of the Omnibus Public Land Management Act
4	of 2009 (42 U.S.C. 10364(a)(3)) is amended by adding
5	at the end the following:
6	"(G) Municipal wells.—A grant or
7	agreement entered into by the Secretary with
8	any eligible applicant under paragraph (1) to
9	drill a groundwater well for municipal supply to
10	minimize losses and damages from drought con-
11	ditions, including construction activities to
12	transport or otherwise convey groundwater
13	pumped from the well, shall not contribute to
14	an increase in the net water use of the eligible
15	applicant beyond the period of any drought
16	emergency, except if—
17	"(i) the groundwater well is for the
18	purpose of supplying drinking water for a
19	disadvantaged community (as defined in
20	section 2 of the Support To Rehydrate the
21	Environment, Agriculture, and Municipali-
22	ties Act) or Indian Tribe; or
23	"(ii) the new groundwater use is par-
24	tially offset by aquatic habitat enhance-
25	ment—

1	"(I) during the drought period;
2	or
3	"(II) over the long-term, includ-
4	ing a future drought period.
5	"(H) Funding under the infrastruc-
6	TURE INVESTMENT AND JOBS ACT.—For pur-
7	poses of amounts made available to carry out
8	this section under paragraph (7) of section
9	40901 of the Infrastructure Investment and
10	Jobs Act (43 U.S.C. 3201) for each of fiscal
11	years 2025 and 2026, projects or activities eli-
12	gible for funding under that paragraph may in-
13	clude a combination of proposed planning ac-
14	tivities, actions, or projects within a basin, with
15	the maximum amount of the combined activities
16	not to exceed the maximum amount established
17	under subparagraph (E)(iii).".
18	SEC. 402. CLARIFICATION OF AUTHORITY TO USE
19	CORONAVIRUS FISCAL RECOVERY FUNDS TO
20	MEET A NON-FEDERAL MATCHING REQUIRE-
21	MENT FOR AUTHORIZED WATER PROJECTS.
22	(a) Coronavirus State Fiscal Recovery
23	Fund.—Section 602(c)(4) of the Social Security Act (42
24	U.S.C. 802(c)(4)) is amended—

1	(1) in the paragraph heading, by striking "BU-
2	REAU OF RECLAMATION"; and
3	(2) by striking "an authorized Bureau of Rec-
4	lamation project" and inserting "a project under-
5	taken or funded by the Bureau of Reclamation pur-
6	suant to an Act of Congress".
7	(b) Coronavirus Local Fiscal Recovery
8	Fund.—Section 603(c)(5) of the Social Security Act (42
9	U.S.C. 803(c)(5)) is amended by striking "an authorized
10	Bureau of Reclamation project" and inserting "a project
11	undertaken or funded by the Bureau of Reclamation pur-
12	suant to an Act of Congress".
13	SEC. 403. ENVIRONMENTAL COMPLIANCE.
14	No water recycling project, non-Federal storage
15	project, eligible desalination project, project eligible for a
16	loan under the pilot program under section 105, or a
17	project eligible for a grant under section 106 shall receive
18	Federal funding under this Act unless the applicable
19	project complies with—
20	(1) applicable Federal environmental laws; and
21	(2) applicable State environmental laws.
22	SEC. 404. EFFECT.
23	Nothing in this Act or an amendment made by this
24	Act shall be interpreted or implemented in a manner that
25	interferes with any obligation of a State under the Rio

- 1 Grande Compact or any other compact approved by Con-
- $2\,\,$ gress under the Act of May 31, 1939 (53 Stat. 785, chap-
- 3 ter 155), or any litigation relating to the Rio Grande Com-
- 4 pact or other compact.