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(Original Signature of Member)

117TH CONGRESS
1ST SESSION

H. R. _____

To direct the Secretary of the Interior to establish a grant program to provide grants on a competitive basis to eligible entities for large-scale water recycling and reuse projects, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mrs. NAPOLITANO introduced the following bill; which was referred to the Committee on _____

A BILL

To direct the Secretary of the Interior to establish a grant program to provide grants on a competitive basis to eligible entities for large-scale water recycling and reuse projects, 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.**

4 This Act may be cited as the “Large Scale Water
5 Recycling Project Investment Act”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

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

3 (A) a State, Indian Tribe, municipality, ir-
4 rigation district, water district, wastewater dis-
5 trict, or other organization with water or power
6 delivery authority;

7 (B) a State, regional, or local authority,
8 the members of which include 1 or more organi-
9 zations with water or power delivery authority;
10 or

11 (C) an agency established under State law
12 for the joint exercise of powers or a combina-
13 tion of entities described in subparagraph (A)
14 through (B).

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

19 (3) RECLAMATION STATE.—The term “Rec-
20 lamation State” means a State or territory described
21 in the first section of the Act of June 17, 1902 (32
22 Stat. 388, chapter 1093; 43 U.S.C. 391).

23 (4) SECRETARY.—The term “Secretary” means
24 the Secretary of the Interior.

1 **SEC. 3. COMPETITIVE GRANT PROGRAM FOR LARGE-SCALE**
2 **WATER RECYCLING AND REUSE PROJECTS.**

3 (a) IN GENERAL.—The Secretary of the Interior shall
4 establish a grant program to provide grants on a competi-
5 tive basis to eligible entities for the planning, design, and
6 construction of large-scale water recycling and reclamation
7 projects that provide substantial water supply and other
8 benefits to drought stricken regions within the Reclama-
9 tion States.

10 (b) ELIGIBLE PROJECT.—A project shall be consid-
11 ered eligible for consideration under this Act if—

12 (1) the project reclaims and reuses—

13 (A) municipal, industrial, domestic, or ag-
14 ricultural wastewater; or

15 (B) impaired ground or surface waters;

16 (2) the project has a total estimated cost of
17 \$500,000,000 or greater;

18 (3) the project is located within a Reclamation
19 State;

20 (4) the project is constructed, operated, and
21 maintained by an eligible entity; and

22 (5) the project provides a Federal benefit in ac-
23 cordance with the reclamation laws.

24 (c) PROJECT EVALUATION.—The Secretary may par-
25 ticipate in an eligible project under this Act if—

1 (1) an eligible entity determines through the
2 preparation of a feasibility or equivalent study, and
3 the Secretary concurs, that the eligible project—

4 (A) is technically and financially feasible;

5 (B) provides a Federal benefit in accord-
6 ance with the reclamation laws ; and

7 (C) is consistent with applicable Federal
8 and State laws;

9 (2) the eligible entity has sufficient non-Federal
10 funding available to complete the eligible project;

11 (3) the eligible entity is financially solvent; and

12 (4) the Secretary submits to Congress a written
13 notification of the determinations under paragraph
14 (1) by not later than 30 days after the date of the
15 determinations.

16 (d) PRIORITY.—When funding projects under this
17 Act, the Secretary shall give funding priority to projects
18 that meet one or more of the following criteria:

19 (1) Provide multiple benefits, including water
20 supply reliability benefits for drought-stricken States
21 and communities, fish and wildlife benefits, and
22 water quality improvements.

23 (2) Are likely to reduce impacts on environ-
24 mental resources from water projects owned or oper-
25 ated by Federal and State agencies, including

1 through measurable reductions in water diversions
2 from imperiled ecosystems.

3 (3) Help advance water management plans
4 across a multi-state area, such as drought contin-
5 gency plans in the Colorado River Basin.

6 (4) Regional in nature.

7 (5) Collaboratively developed or supported by
8 multiple stakeholders.

9 (e) FEDERAL ASSISTANCE.—

10 (1) FEDERAL COST SHARE.—Except as pro-
11 vided in paragraph (2), the Federal share of the cost
12 of any eligible project shall not exceed 25 percent of
13 the total cost of the eligible project.

14 (2) INCREASED FEDERAL COST SHARE FOR
15 PROJECTS WITH ADDITIONAL MEASURABLE BENE-
16 FITS.—The Federal share of the cost of an eligible
17 project may be increased to a maximum of 75 per-
18 cent of the total project costs, if the project ad-
19 vances at least a proportionate share of non-reim-
20 bursable benefits authorized under the reclamation
21 laws, including fish and wildlife benefits provided
22 through measurable reductions in water diversions
23 from imperiled ecosystems.

24 (3) TOTAL DOLLAR CAP.—The Secretary shall
25 not impose a total dollar cap on Federal contribu-

1 tions that applies to all individual projects under the
2 grant program established by this Act.

3 (4) NONREIMBURSABLE FUNDS.—Funds pro-
4 vided by the Secretary to an eligible entity under
5 this Act shall be considered nonreimbursable.

6 (5) AUTHORIZATION OF APPROPRIATIONS.—
7 There is authorized to be appropriated to carry out
8 this Act \$750,000,000 for the period of fiscal years
9 2023 through 2027.

10 (6) FUNDING ELIGIBILITY.—An eligible project
11 shall not be considered ineligible for assistance
12 under this Act because the project has received as-
13 sistance authorized under title XVI of Public Law
14 102–575 or section 4009 of Public Law 114–322.

15 (f) ENVIRONMENTAL LAWS.—In providing a grant
16 for an eligible project under this Act, the Secretary shall
17 comply with all applicable environmental laws, including
18 the National Environmental Policy Act of 1969 (42 U.S.C.
19 4321 et seq.).

20 (g) GUIDANCE.—Not later than 12 months after the
21 date of the enactment of this Act, the Secretary shall issue
22 guidance on the implementation of this Act, including
23 guidelines for the preparation of feasibility or equivalent
24 studies by eligible entities.

25 (h) CONGRESSIONAL APPROVAL.—

1 (1) IN GENERAL.—Not less than 60 days before
2 making a grant for a project under this Act, the
3 Secretary shall notify the Committee on Natural Re-
4 sources of the House of Representatives and the
5 Committee on Energy and Natural Resources of the
6 Senate, in writing, of the proposed grant. The notifi-
7 cation shall include an evaluation and justification
8 for the project and the amount of the proposed
9 grant award.

10 (2) CONGRESSIONAL DISAPPROVAL.—The Sec-
11 retary shall not make a grant or any other obliga-
12 tion or commitment to fund a project under this Act
13 that exceeds \$100,000,000 if a joint resolution is en-
14 acted disapproving such funding for the project be-
15 fore the last day of the 60-day period described in
16 paragraph (1).

17 (i) REPORTS.—

18 (1) ANNUAL REPORT.—At the end of each fis-
19 cal year, the Secretary shall make available on the
20 website of the Department of the Interior an annual
21 report that lists each project for which a grant has
22 been provided under this Act during that fiscal year.

23 (2) COMPTROLLER GENERAL.—

24 (A) ASSESSMENT.—The Comptroller Gen-
25 eral of the United States shall conduct an as-

1 assessment of the administrative establishment,
2 solicitation, selection, and justification process
3 with respect to the funding of grants under this
4 Act.

5 (B) REPORT.—Not later than 1 year after
6 the initial awarding of grants under this Act,
7 the Comptroller General shall submit to the
8 Committee on Natural Resources of the House
9 of Representatives and the Committee on En-
10 ergy and Natural Resources of the Senate a re-
11 port that describes—

12 (i) the adequacy and effectiveness of
13 the process by which each project was se-
14 lected, if applicable; and

15 (ii) the justification and criteria used
16 for the selection of each project, if applica-
17 ble.

18 (j) TREATMENT OF CONVEYANCE.—The Secretary
19 shall consider the planning, design, and construction of
20 an eligible project's conveyance system to be eligible for
21 grant funding under this Act.