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(Original Signature of Member)

108TH CONGRESS
1ST SESSION

H. R. _____

IN THE HOUSE OF REPRESENTATIVES

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

A BILL

To amend the Federal Water Pollution Control Act to au-
thorize appropriations for State water pollution control
revolving funds, 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; AMENDMENT OF FEDERAL**
4 **WATER POLLUTION CONTROL ACT.**

5 (a) IN GENERAL.—This Act may be cited as the
6 “Clean Water Infrastructure Financing Act of 2003”.

1 (b) AMENDMENT OF FEDERAL WATER POLLUTION
2 CONTROL ACT.—Except as otherwise expressly provided,
3 whenever in this Act an amendment or repeal is expressed
4 in terms of an amendment to, or repeal of, a section or
5 other provision, the reference shall be considered to be
6 made to a section or other provision of the Federal Water
7 Pollution Control Act (33 U.S.C. 1251–1387).

8 **SEC. 2. GENERAL AUTHORITY FOR CAPITALIZATION**
9 **GRANTS.**

10 Section 601(a) (33 U.S.C. 1381(a)) is amended by
11 striking “(1) for construction” and all that follows
12 through the period and inserting “to accomplish the pur-
13 poses of this Act.”.

14 **SEC. 3. CAPITALIZATION GRANTS AGREEMENTS.**

15 (a) REQUIREMENTS FOR CONSTRUCTION OF TREAT-
16 MENT WORKS.—Section 602(b)(6) (33 U.S.C.
17 1382(b)(6)) is amended to read as follows:

18 “(6) treatment works eligible under section
19 603(c)(1) of this Act constructed in whole or in part
20 with funds made available by a State water pollution
21 control revolving fund under this title and section
22 205(m) of this Act will meet the requirements of
23 section 513 of this Act in the same manner as treat-
24 ment works constructed with assistance under title
25 II of this Act;”.

1 (b) ARCHITECTURAL AND ENGINEERING CON-
2 TRACTS.—Section 602(b) (33 U.S.C. 1382(b)) is
3 amended—

4 (1) by striking “and” at the end of paragraph
5 (9);

6 (2) by striking the period at the end of para-
7 graph (10) and inserting “; and”; and

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

9 “(11) the State will require that each contract
10 and subcontract for program management, construc-
11 tion management, planning studies, feasibility stud-
12 ies, architectural services, preliminary engineering,
13 design, engineering, surveying, mapping, and related
14 services entered into using amounts from the fund
15 will be awarded in the same way that a contract for
16 architectural and engineering services is awarded
17 under chapter 11 of title 40, United States Code, or
18 an equivalent qualifications-based requirement pre-
19 scribed by the State, except that such an award shall
20 not be construed as conferring a proprietary interest
21 upon the United States.”.

22 (c) GUIDANCE FOR SMALL SYSTEMS.—Section 602
23 (33 U.S.C. 1382) is amended by adding at the end the
24 following:

25 “(c) GUIDANCE FOR SMALL SYSTEMS.—

1 “(1) SIMPLIFIED PROCEDURES.—Not later than
2 1 year after the date of enactment of this sub-
3 section, the Administrator shall assist the States in
4 establishing simplified procedures for small systems
5 to obtain assistance under this title.

6 “(2) PUBLICATION OF MANUAL.—Not later
7 than 1 year after the date of enactment of this sub-
8 section, and after providing notice and opportunity
9 for public comment, the Administrator shall publish
10 a manual to assist small systems in obtaining assist-
11 ance under this title and publish in the Federal Reg-
12 ister notice of the availability of the manual.

13 “(3) SMALL SYSTEM DEFINED.—For purposes
14 of this title, the term ‘small system’ means a system
15 for which a municipality or intermunicipal, inter-
16 state, or State agency seeks assistance under this
17 title and which serves a population of 10,000 or
18 less.”.

19 **SEC. 4. WATER POLLUTION CONTROL REVOLVING FUNDS.**

20 (a) ACTIVITIES ELIGIBLE FOR ASSISTANCE.—Sec-
21 tion 603(c) (33 U.S.C. 1383(c)) is amended to read as
22 follows:

23 “(c) ACTIVITIES ELIGIBLE FOR ASSISTANCE.—

24 “(1) IN GENERAL.—The amounts of funds
25 available to each State water pollution control re-

1 volving fund shall be used only for providing finan-
2 cial assistance to activities that have as a principal
3 benefit the improvement or protection of water qual-
4 ity of navigable waters to a municipality, intermunic-
5 ipal agency, interstate agency, State agency, or
6 other person. Such activities may include the fol-
7 lowing:

8 “(A) Construction of a publicly owned
9 treatment works.

10 “(B) Implementation of lake protection
11 programs and projects under section 314.

12 “(C) Implementation of a management
13 program under section 319.

14 “(D) Implementation of a conservation and
15 management plan under section 320.

16 “(E) Restoration or protection of publicly
17 or privately owned riparian areas, including ac-
18 quisition of property rights.

19 “(F) Implementation of measures to pro-
20 mote beneficial reuse of wastewater.

21 “(G) Development and implementation of
22 plans by a public recipient to prevent water pol-
23 lution.

24 “(H) Acquisition of lands necessary to
25 meet any mitigation requirements related to

1 construction of a publicly owned treatment
2 works.

3 “(I) Implementation of measures to en-
4 hance the security of publicly owned treatment
5 works.

6 “(J) Replacement and rehabilitation of
7 treatment works to intercept, transport, control,
8 or treat municipal combined sewer overflows
9 and sanitary sewer overflows.

10 “(2) FUND AMOUNTS.—The water pollution
11 control revolving fund of a State shall be established,
12 maintained, and credited with repayments, and the
13 fund balance shall be available in perpetuity for pro-
14 viding financial assistance described in paragraph
15 (1). Fees charged by a State to recipients of such
16 assistance may be deposited in the fund for the sole
17 purpose of financing the cost of administration of
18 this title.”.

19 (b) LOAN GUARANTEES.—Section 603(d)(5) (33
20 U.S.C. 1383(d)(5)) is amended to read as follows:

21 “(5) to provide loan guarantees for—

22 “(A) similar revolving funds established by
23 municipalities or intermunicipal agencies; and

24 “(B) developing and implementing innova-
25 tive technologies.”.

1 (c) ADMINISTRATIVE EXPENSES.—Section 603(d)(7)
2 (33 U.S.C. 1383(d)(7)) is amended by inserting before the
3 period at the end the following: “or \$400,000 per year
4 or ½ percent per year of the current valuation of such
5 fund, whichever is greater, plus the amount of any fees
6 collected by the State for such purpose under subsection
7 (c)(2)”.

8 (d) TECHNICAL AND PLANNING ASSISTANCE FOR
9 SMALL SYSTEMS.—Section 603(d) (33 U.S.C. 1383(d)) is
10 amended—

11 (1) by striking “and” at the end of paragraph
12 (6);

13 (2) by striking the period at the end of para-
14 graph (7) and inserting a semicolon; and

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

16 “(8) to provide to small systems technical and
17 planning assistance and assistance in financial man-
18 agement, user fee analysis, budgeting, capital im-
19 provement planning, facility operation and mainte-
20 nance, repair schedules, and other activities to im-
21 prove wastewater treatment plant operations, except
22 that such amounts shall not exceed 2 percent of all
23 grant awards to such fund under this title; and”.

1 (e) GRANTS TO FINANCIALLY DISTRESSED COMMU-
2 NITIES.—Section 603(d) (33 U.S.C. 1383(d)) is further
3 amended by adding at the end the following:

4 “(9) to make grants to financially distressed
5 communities in the State in the amounts specified in
6 subsection (i).”.

7 (f) CONSISTENCY WITH PLANNING REQUIRE-
8 MENTS.—Section 603(f) (33 U.S.C. 1383(f)) is amended
9 by striking “is consistent” and inserting “is not incon-
10 sistent”.

11 (g) CONSTRUCTION ASSISTANCE.—Section 603(g)
12 (33 U.S.C. 1383(g)) is amended to read as follows:

13 “(g) CONSTRUCTION ASSISTANCE.—

14 “(1) PRIORITY LIST REQUIREMENT.—The State
15 may provide financial assistance from its water pol-
16 lution control revolving fund with respect to a
17 project for construction of a publicly owned treat-
18 ment works only if such project is on the State’s pri-
19 ority list under section 216 of this Act without re-
20 gard to the rank of such project on the State’s pri-
21 ority list.

22 “(2) ELIGIBILITY OF CERTAIN TREATMENT
23 WORKS.—A treatment works shall be treated as a
24 publicly owned treatment works for purposes of sub-
25 section (c) if the treatment works, without regard to

1 ownership, would be considered a publicly owned
2 treatment works and is principally treating munic-
3 ipal waste water or domestic sewage.”.

4 (h) FINANCIALLY DISTRESSED COMMUNITIES.—Sec-
5 tion 603 is amended by adding at the end the following:

6 “(i) FINANCIALLY DISTRESSED COMMUNITIES.—

7 “(1) GRANTS.—

8 “(A) IN GENERAL.—In any fiscal year in
9 which the Administrator has available for obli-
10 gation more than \$1,400,000,000 for the pur-
11 poses of this title, a State shall make grants to
12 financially distressed communities in the State
13 in an amount equal to 25 percent of the dif-
14 ference between—

15 “(i) the total amount that would have
16 been allotted to the State under section
17 604 for such fiscal year if the amount
18 available to the Administrator for obliga-
19 tion under this title for such fiscal year
20 had been equal to \$1,400,000,000; and

21 “(ii) the total amount allotted to the
22 State under section 604 for such fiscal
23 year.

24 “(B) PERIOD OF AVAILABILITY.—Notwith-
25 standing section 604(c), amounts to be used by

1 a State under this paragraph for making grants
2 to financially distressed communities shall re-
3 main available to the State until expended.

4 “(C) CERTIFICATION.—A State may make
5 a grant to a financially distressed community
6 under this paragraph only if the community
7 certifies to the State that the amounts of the
8 grant will be used to improve water quality.

9 “(2) PRIORITY FOR LOANS.—A State may give
10 priority to a financially distressed community in
11 making loans from its water pollution control revolv-
12 ing fund.

13 “(3) FINANCIALLY DISTRESSED COMMUNITY
14 DEFINED.—In this section, the term ‘financially dis-
15 tressed community’ means any community that
16 meets affordability criteria established by the State
17 in which the treatment works is located, if such cri-
18 teria are developed after public review and comment.

19 “(4) INFORMATION TO ASSIST STATES.—The
20 Administrator may publish information to assist
21 States in establishing affordability criteria under
22 paragraph (3).”.

23 **SEC. 5. ASSET MANAGEMENT.**

24 Title VI (33 U.S.C. 1381 et seq.) is amended—

1 (1) by redesignating section 607 as section 608;

2 and

3 (2) by inserting after section 606 the following:

4 **“SEC. 607. ASSET MANAGEMENT.**

5 “(a) IN GENERAL.—The Administrator shall provide
6 technical and financial assistance to owners and operators
7 of publicly-owned treatment works for the following activi-
8 ties:

9 “(1) Performing an inventory of critical treat-
10 ment works assets.

11 “(2) Evaluating the condition and performance
12 of inventoried assets or asset groupings.

13 “(3) Developing a plan for maintaining, repair-
14 ing, and replacing treatment works and for funding
15 such activities.

16 “(b) AUTHORIZATION OF APPROPRIATIONS.—There
17 is authorized to be appropriated to carry out this section
18 \$10,000,000 for each of fiscal years 2004 through 2008.
19 Such sums shall remain available until expended.”.

20 **SEC. 6. AUTHORIZATION OF APPROPRIATIONS.**

21 Section 608, as redesignated by section 5 of this Act,
22 is amended by striking paragraphs (1) through (5) and
23 inserting the following:

24 “(1) \$3,000,000,000 for fiscal year 2004;

25 “(2) \$4,000,000,000 for fiscal year 2005;

- 1 “(3) \$5,000,000,000 for fiscal year 2006;
- 2 “(4) \$6,000,000,000 for fiscal year 2007; and
- 3 “(5) \$7,000,000,000 for fiscal year 2008.”.