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(Original Signature of Member)

114TH CONGRESS
2^D SESSION

H. R. _____

To amend the Safe Drinking Water Act to increase assistance for States, water systems, and disadvantaged communities; to encourage good financial and environmental management of water systems; to strengthen the Environmental Protection Agency's ability to enforce the requirements of the Act; and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. TONKO introduced the following bill; which was referred to the Committee
on _____

A BILL

To amend the Safe Drinking Water Act to increase assistance for States, water systems, and disadvantaged communities; to encourage good financial and environmental management of water systems; to strengthen the Environmental Protection Agency's ability to enforce the requirements of the Act; 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,*

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS; REF-**
2 **ERENCES.**

3 (a) **SHORT TITLE.**—This Act may be cited as the
4 “Assistance, Quality, and Affordability Act of 2016”.

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

- Sec. 1. Short title; table of contents; references.
- Sec. 2. Prevailing wages.
- Sec. 3. Use of funds.
- Sec. 4. Requirements for use of American materials.
- Sec. 5. Data on variances, exemptions, and persistent violations.
- Sec. 6. Assistance for restructuring.
- Sec. 7. Priority and weight of applications.
- Sec. 8. Disadvantaged communities.
- Sec. 9. Administration of State loan funds.
- Sec. 10. State revolving loan funds for American Samoa, Northern Mariana Islands, Guam, and the Virgin Islands.
- Sec. 11. Authorization of appropriations.
- Sec. 12. Affordability of new standards.
- Sec. 13. Focus on lifecycle costs.
- Sec. 14. Enforcement.
- Sec. 15. Presence of pharmaceuticals and personal care products in sources of drinking water.
- Sec. 16. Electronic reporting of compliance monitoring data to the Administrator.
- Sec. 17. Best practices for administration of State revolving loan fund programs.
- Sec. 18. Water loss and leak control technology.
- Sec. 19. Risks of drought to drinking water.
- Sec. 20. Water infrastructure resiliency and sustainability program.
- Sec. 21. Reducing lead in drinking water.

7 (c) **REFERENCES.**—Except as otherwise specified,
8 whenever in this Act an amendment is expressed in terms
9 of an amendment to a section or other provision, the ref-
10 erence shall be considered to be made to a section or other
11 provision of the Safe Drinking Water Act (42 U.S.C. 300f
12 et seq.).

1 **SEC. 2. PREVAILING WAGES.**

2 Subsection (e) of section 1450 (42 U.S.C. 300j-9)
3 is amended to read as follows:

4 “(e) LABOR STANDARDS.—

5 “(1) IN GENERAL.—The Administrator shall
6 take such action as the Administrator determines to
7 be necessary to ensure that each laborer and me-
8 chanic employed by a contractor or subcontractor in
9 connection with a construction project financed, in
10 whole or in part, by a grant, loan, loan guarantee,
11 refinancing, or any other form of financial assistance
12 provided under this title (including assistance pro-
13 vided by a State loan fund established under section
14 1452) is paid wages at a rate of not less than the
15 wages prevailing for the same type of work on simi-
16 lar construction in the immediate locality, as deter-
17 mined by the Secretary of Labor in accordance with
18 subchapter IV of chapter 31 of title 40, United
19 States Code.

20 “(2) AUTHORITY OF SECRETARY OF LABOR.—

21 With respect to the labor standards specified in this
22 subsection, the Secretary of Labor shall have the au-
23 thority and functions established in Reorganization
24 Plan Numbered 14 of 1950 (5 U.S.C. App.) and sec-
25 tion 3145 of title 40, United States Code.”.

1 **SEC. 3. USE OF FUNDS.**

2 Section 1452(a)(2) (42 U.S.C. 300j-12(a)(2)) is
3 amended—

4 (1) by striking “Except as otherwise” and in-
5 serting the following:

6 “(A) IN GENERAL.—~~Except as otherwise~~”;

7 (2) by striking “Financial assistance under this
8 section” and inserting the following:

9 “(B) PERMISSIBLE EXPENDITURES.—Fi-
10 nancial assistance under this section”;

11 (3) by striking “The funds may also be used”
12 and inserting the following:

13 “(D) CERTAIN LOANS.—Financial assist-
14 ance under this section may also be used”;

15 (4) by striking “The funds shall not be used”
16 and inserting the following:

17 “(E) LIMITATION.—Financial assistance
18 under this section shall not be used”;

19 (5) by striking “Of the amount credited” and
20 inserting the following:

21 “(F) SET-ASIDE.—Of the amount cred-
22 ited”;

23 (6) in subparagraph (B) (as designated by
24 paragraph (2)) by striking “(not” and inserting
25 “(including expenditures for planning, design, siting,
26 and associated preconstruction activities, for replac-

1 ing or rehabilitating aging treatment, storage, or
2 distribution facilities of public water systems, or for
3 producing or capturing sustainable energy on site or
4 through the transportation of water through the
5 public water system, but not”; and

6 (7) by inserting after such subparagraph (B)
7 the following:

8 “(C) SALE OF BONDS.—If a State issues
9 revenue or general obligation bonds to provide
10 all or part of the State contribution required by
11 subsection (e), and the proceeds of the sale of
12 such bonds will be deposited into the State loan
13 fund—

14 “(i) financial assistance made avail-
15 able under this section may be used by the
16 State as security for payment of the prin-
17 cipal and interest on such bonds; and

18 “(ii) interest earnings of the State
19 loan fund may be used by the State as rev-
20 enue for payment of the principal and in-
21 terest on such bonds.”.

22 **SEC. 4. REQUIREMENTS FOR USE OF AMERICAN MATE-**
23 **RIALS.**

24 Section 1452(a) (42 U.S.C. 300j–12(a)) is amended
25 by adding at the end the following new paragraph:

1 “(4) REQUIREMENTS FOR USE OF AMERICAN
2 MATERIALS.—

3 “(A) IN GENERAL.—Notwithstanding any
4 other provision of law, none of the funds made
5 available by a State loan fund as authorized
6 under this section may be used for a project for
7 the construction, alteration, maintenance, or re-
8 pair of a public water system unless all of the
9 iron and steel products used in such project are
10 produced in the United States.

11 “(B) APPLICATION.—Subparagraph (A)
12 shall not apply in any case in which the Admin-
13 istrator (in consultation with the Governor of
14 the State) finds that—

15 “(i) applying subparagraph (A) would
16 be inconsistent with the public interest;

17 “(ii) iron and steel products are not
18 produced in the United States in sufficient
19 and reasonably available quantities and of
20 a satisfactory quality; or

21 “(iii) inclusion of iron and steel prod-
22 ucts produced in the United States will in-
23 crease the cost of the overall project by
24 more than 25 percent.

1 “(C) WAIVER.—If the Administrator re-
2 ceives a request for a waiver under this section,
3 the Administrator shall—

4 “(i) make available to the public, on
5 an informal basis, a copy of the request
6 and information available to the Adminis-
7 trator concerning the request;

8 “(ii) make the request and accom-
9 panying information available by electronic
10 means, including on the official public
11 Internet site of the Environmental Protec-
12 tion Agency; and

13 “(iii) allow for informal public input
14 on the request for at least 15 days prior to
15 making a finding based on the request.

16 “(D) CONSISTENCY WITH INTERNATIONAL
17 AGREEMENTS.—This paragraph shall be applied
18 in a manner consistent with United States obli-
19 gations under international agreements.

20 “(E) DEFINITION OF IRON AND STEEL
21 PRODUCTS.—In this paragraph, the term ‘iron
22 and steel products’ means the following prod-
23 ucts made primarily of iron or steel: lined or
24 unlined pipes and fittings, manhole covers and
25 other municipal castings, hydrants, tanks,

1 flanges, pipe clamps and restraints, valves,
2 structural steel, reinforced precast concrete,
3 and construction materials.”.

4 **SEC. 5. DATA ON VARIANCES, EXEMPTIONS, AND PER-**
5 **SISTENT VIOLATIONS.**

6 Section 1452(b)(2) (42 U.S.C. 300j-12(b)(2)) is
7 amended—

8 (1) in subparagraph (B), by striking “and” at
9 the end;

10 (2) in subparagraph (C), by striking the period
11 at the end and inserting “; and”; and

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

13 “(D) a list of all water systems within the
14 State that have in effect an exemption or vari-
15 ance for any national primary drinking water
16 regulation or that are in persistent violation of
17 the requirements for any maximum contami-
18 nant level or treatment technique under a na-
19 tional primary drinking water regulation, in-
20 cluding identification of—

21 “(i) the national primary drinking
22 water regulation in question for each such
23 exemption, variance, or violation; and

1 “(ii) the date on which the exemption
2 or variance came into effect or the viola-
3 tion began.”.

4 **SEC. 6. ASSISTANCE FOR RESTRUCTURING.**

5 (a) DEFINITION.—Section 1401 (42 U.S.C. 300f) is
6 amended by adding at the end the following:

7 “(17) RESTRUCTURING.—The term ‘restruc-
8 turing’ means changes in operations (including own-
9 ership, management, cooperative partnerships, joint
10 purchasing arrangements, consolidation, and alter-
11 native water supply).”.

12 (b) RESTRUCTURING.—Clause (ii) of section
13 1452(a)(3)(B) (42 U.S.C. 300j–12(a)(3)(B)) is amended
14 by striking “changes in operations (including ownership,
15 management, accounting, rates, maintenance, consolida-
16 tion, alternative water supply, or other procedures)” and
17 inserting “restructuring”.

18 **SEC. 7. PRIORITY AND WEIGHT OF APPLICATIONS.**

19 (a) PRIORITY.—Section 1452(b)(3) (42 U.S.C. 300j–
20 12(b)(3)) is amended—

21 (1) in subparagraph (A)—

22 (A) in clause (ii), by striking “and” at the
23 end;

24 (B) in clause (iii), by striking the period at
25 the end and inserting “; and”; and

1 (C) by adding at the end the following:

2 “(iv) improve the ability of systems to
3 protect human health and comply with the
4 requirements of this title affordably in the
5 future.”;

6 (2) by redesignating subparagraph (B) as sub-
7 paragraph (D);

8 (3) by inserting after subparagraph (A) the fol-
9 lowing:

10 “(B) AFFORDABILITY OF NEW STAND-
11 ARDS.—For any year in which enforcement be-
12 gins for a new national primary drinking water
13 standard, each State that has entered into a
14 capitalization agreement pursuant to this sec-
15 tion shall evaluate whether capital improve-
16 ments required to meet the standard are afford-
17 able for disadvantaged communities (as defined
18 in subsection (d)(3)) in the State. If the State
19 finds that such capital improvements do not
20 meet affordability criteria for disadvantaged
21 communities in the State, the State’s intended
22 use plan shall provide that priority for the use
23 of funds for such year be given to public water
24 systems affected by the standard and serving
25 disadvantaged communities.

1 “(C) WEIGHT GIVEN TO APPLICATIONS.—
2 After determining priority under subparagraphs
3 (A) and (B), an intended use plan shall provide
4 that the State will give greater weight to an ap-
5 plication for assistance if the application con-
6 tains—

7 “(i) a description of measures under-
8 taken by the system to improve the man-
9 agement and financial stability of the sys-
10 tem, which may include—

11 “(I) an inventory of assets, in-
12 cluding a description of the condition
13 of the assets;

14 “(II) a schedule for replacement
15 of assets;

16 “(III) an audit of water losses;

17 “(IV) a financing plan that fac-
18 tors in all lifecycle costs indicating
19 sources of revenue from ratepayers,
20 grants, bonds, other loans, and other
21 sources to meet the costs; and

22 “(V) a review of options for re-
23 structuring;

1 “(ii) a demonstration of consistency
2 with State, regional, and municipal water-
3 shed plans;

4 “(iii) a water conservation plan con-
5 sistent with guidelines developed for such
6 plans by the Administrator under section
7 1455(a); and

8 “(iv) a description of measures under-
9 taken by the system to improve the effi-
10 ciency of the system or reduce the system’s
11 environmental impact, which may in-
12 clude—

13 “(I) water efficiency or conserva-
14 tion, including the rehabilitation or re-
15 placement of existing leaking pipes;

16 “(II) use of reclaimed water;

17 “(III) actions to increase energy
18 efficiency;

19 “(IV) actions to generate or cap-
20 ture sustainable energy on site or
21 through the transportation of water
22 through the system;

23 “(V) actions to protect source
24 water;

1 “(VI) actions to mitigate or pre-
2 vent corrosion, including design, selec-
3 tion of materials, selection of coating,
4 and cathodic protection; and

5 “(VII) actions to reduce disinfec-
6 tion byproducts.”; and

7 (4) in subparagraph (D) (as redesignated by
8 paragraph (2)) by striking “periodically” and insert-
9 ing “at least biennially”.

10 (b) GUIDANCE.—Section 1452 (42 U.S.C. 300j–12)
11 is amended—

12 (1) by redesignating subsection (r) as sub-
13 section (t); and

14 (2) by inserting after subsection (q) the fol-
15 lowing:

16 “(r) SMALL SYSTEM GUIDANCE.—The Administrator
17 may provide guidance and, as appropriate, tools, meth-
18 odologies, or computer software, to assist small systems
19 in undertaking measures to improve the management, fi-
20 nancial stability, and efficiency of the system or reduce
21 the system’s environmental impact.”.

22 **SEC. 8. DISADVANTAGED COMMUNITIES.**

23 (a) ASSISTANCE TO INCREASE COMPLIANCE.—Sec-
24 tion 1452(b)(3) (42 U.S.C. 300j–12(b)(3)), as amended,
25 is further amended by adding at the end the following:

1 “(E) ASSISTANCE TO INCREASE COMPLI-
2 ANCE.—A State’s intended use plan shall pro-
3 vide that, of the funds received by the State
4 through a capitalization grant under this sec-
5 tion for a fiscal year, the State will, to the ex-
6 tent that there are sufficient eligible project ap-
7 plications, reserve not less than 6 percent to be
8 spent on assistance under subsection (d) to
9 public water systems included in the State’s
10 most recent list under paragraph (2)(D).”.

11 (b) ASSISTANCE FOR DISADVANTAGED COMMU-
12 NITIES.—Section 1452(d) (42 U.S.C. 300j–12(d)) is
13 amended—

14 (1) in paragraph (1), by adding at the end the
15 following: “Such additional subsidization shall di-
16 rectly and primarily benefit the disadvantaged com-
17 munity.”; and

18 (2) in paragraph (3), by inserting “, or portion
19 of a service area,” after “service area”.

20 (c) AFFORDABILITY CRITERIA.—Section 1452(d)(3)
21 is amended by adding at the end: “Each State that has
22 entered into a capitalization agreement pursuant to this
23 section shall, in establishing affordability criteria, con-
24 sider, solicit public comment on, and include as appro-
25 priate—

1 “(A) the methods or criteria that the State
2 will use to identify disadvantaged communities;

3 “(B) a description of the institutional, reg-
4 ulatory, financial, tax, or legal factors at the
5 Federal, State, or local level that affect identi-
6 fied affordability criteria; and

7 “(C) a description of how the State will
8 use the authorities and resources under this
9 subsection to assist communities meeting the
10 identified criteria.”.

11 **SEC. 9. ADMINISTRATION OF STATE LOAN FUNDS.**

12 Section 1452(g) (42 U.S.C. 300j-12(g)) is amend-
13 ed—

14 (1) in paragraph (2)—

15 (A) in the first sentence, by striking “up
16 to 4 percent of the funds allotted to the State
17 under this section” and inserting “, for each
18 fiscal year, an amount that does not exceed the
19 sum of the amount of any fees collected by the
20 State for use in covering reasonable costs of ad-
21 ministration of programs under this section, re-
22 gardless of the source, and an amount equal to
23 the greatest of \$400,000, $\frac{1}{5}$ of one percent of
24 the current valuation of the State loan fund, or

1 6 percent of all grant awards to the State loan
2 fund under this section for the fiscal year.”;

3 (B) by striking “1419,” and all that fol-
4 lows through “1993.” and inserting “1419.”;
5 and

6 (C) in the matter following subparagraph
7 (D), by striking “2 percent” and inserting “4
8 percent”; and

9 (2) by adding at the end the following:

10 “(5) TRANSFER OF FUNDS.—

11 “(A) IN GENERAL.—The Governor of a
12 State may—

13 “(i) reserve for any fiscal year not
14 more than the lesser of—

15 “(I) 33 percent of a capitaliza-
16 tion grant made under this section; or

17 “(II) 33 percent of a capitaliza-
18 tion grant made under section 601 of
19 the Federal Water Pollution Control
20 Act; and

21 “(ii) add the funds so reserved to any
22 funds provided to the State under this sec-
23 tion or section 601 of the Federal Water
24 Pollution Control Act.

1 “(B) STATE MATCHING FUNDS.—Funds
2 reserved under this paragraph shall not be con-
3 sidered for purposes of calculating the amount
4 of a State contribution required by subsection
5 (e) of this section or section 602(b) of the Fed-
6 eral Water Pollution Control Act.”.

7 **SEC. 10. STATE REVOLVING LOAN FUNDS FOR AMERICAN**
8 **SAMOA, NORTHERN MARIANA ISLANDS,**
9 **GUAM, AND THE VIRGIN ISLANDS.**

10 Section 1452(j) (42 U.S.C. 300j–12(j)) is amended
11 by striking “0.33 percent” and inserting “1.5 percent”.

12 **SEC. 11. AUTHORIZATION OF APPROPRIATIONS.**

13 Subsection (m) of section 1452 (42 U.S.C. 300j–12)
14 is amended to read as follows:

15 “(m) AUTHORIZATION OF APPROPRIATIONS.—

16 “(1) IN GENERAL.—There are authorized to be
17 appropriated to carry out this section—

18 “(A) \$3,130,000,000 for fiscal year 2017;

19 “(B) \$3,600,000,000 for fiscal year 2018;

20 “(C) \$4,140,000,000 for fiscal year 2019;

21 “(D) \$4,800,000,000 for fiscal year 2020;

22 and

23 “(E) \$5,500,000,000 for fiscal year 2021.

1 “(2) AVAILABILITY.—Amounts made available
2 pursuant to this subsection shall remain available
3 until expended.

4 “(3) RESERVATION FOR NEEDS SURVEYS.—Of
5 the amount made available under paragraph (1) to
6 carry out this section for a fiscal year, the Adminis-
7 trator may reserve not more than \$1,000,000 per
8 year to pay the costs of conducting needs surveys
9 under subsection (h).”.

10 **SEC. 12. AFFORDABILITY OF NEW STANDARDS.**

11 (a) TREATMENT TECHNOLOGIES FOR SMALL PUBLIC
12 WATER SYSTEMS.—Clause (ii) of section 1412(b)(4)(E)
13 (42 U.S.C. 300g–1(b)(4)(E)) is amended by adding at the
14 end the following: “If no technology, treatment technique,
15 or other means is included in a list under this subpara-
16 graph for a category of small public water systems, the
17 Administrator shall periodically review the list and supple-
18 ment it when new technology becomes available.”.

19 (b) ASSISTANCE FOR DISADVANTAGED COMM UNI-
20 TIES.—

21 (1) IN GENERAL.—Subparagraph (E) of section
22 1452(a)(1) (42 U.S.C. 300j–12(a)(1)) is amended—

23 (A) by striking “except that the Adminis-
24 trator may reserve” and inserting “except
25 that—

1 “(i) in any year in which enforcement
2 of a new national primary drinking water
3 standard begins, the Administrator may
4 use the remaining amount to make grants
5 to States whose public water systems are
6 disproportionately affected by the new
7 standard for the provision of assistance
8 under subsection (d) to such public water
9 systems;

10 “(ii) the Administrator may reserve”;

11 and

12 (B) by striking “and none of the funds re-
13 allotted” and inserting “; and

14 “(iii) none of the funds reallocated”.

15 (2) ELIMINATION OF CERTAIN PROVISIONS.—

16 (A) Section 1412(b) (42 U.S.C. 300g-
17 1(b)) is amended by striking paragraph (15).

18 (B) Section 1415 (42 U.S.C. 300g-4) is
19 amended by striking subsection (e).

20 (3) CONFORMING AMENDMENTS.—

21 (A) Subparagraph (B) of section
22 1412(b)(6) (42 U.S.C. 300g-1(b)(6)) is amend-
23 ed—

24 (i) by striking “experienced by—” and
25 all that follows through “would justify”

1 and inserting “experienced by persons
2 served by large public water systems would
3 justify”; and

4 (ii) by striking “This subparagraph
5 shall not apply if the contaminant is found
6 almost exclusively in small systems eligible
7 under section 1415(e) for a small system
8 variance.”.

9 (B) Subparagraph (B) of section
10 1414(c)(1) (42 U.S.C. 300g-3(c)(1)(B)) is
11 amended by striking “, (a)(2), or (e)” and in-
12 serting “or (a)(2)”.

13 (C) Section 1416(b)(2) (42 U.S.C. 300g-
14 5(b)(2)) is amended by striking subparagraph
15 (D).

16 (D) Section 1445(h) (42 U.S.C. 300j-
17 4(h)) is amended—

18 (i) by striking “sections
19 1412(b)(4)(E) and 1415(e) (relating to
20 small system variance program” inserting
21 “section 1412(b)(4)(E)”;

22 (ii) by striking “guidance under sec-
23 tions 1412(b)(4)(E) and 1415(e)” and in-
24 serting “guidance under section
25 1412(b)(4)(E)”.

1 **SEC. 13. FOCUS ON LIFECYCLE COSTS.**

2 Section 1412(b)(4) (42 U.S.C. 300g-1(b)(4)) is
3 amended—

4 (1) in subparagraph (D), by striking “taking
5 cost into consideration” and inserting “taking
6 lifecycle costs, including maintenance, replacement,
7 and avoided costs, into consideration”; and

8 (2) in the matter preceding subclause (I) in
9 subparagraph (E)(ii), by inserting “taking lifecycle
10 costs, including maintenance, replacement, and
11 avoided costs, into consideration,” after “as deter-
12 mined by the Administrator in consultation with the
13 States,”.

14 **SEC. 14. ENFORCEMENT.**

15 (a) **ADVICE AND TECHNICAL ASSISTANCE.**—Section
16 1414 (42 U.S.C. 300g-3) is amended—

17 (1) in the matter following clause (ii) in sub-
18 section (a)(1)(A), by striking “and provide such ad-
19 vice and technical assistance to such State and pub-
20 lic water system as may be appropriate to bring the
21 system into compliance with the requirement by the
22 earliest feasible time”; and

23 (2) in subsection (a)(1), by adding at the end
24 the following:

25 “(C) At any time after providing notice of a violation
26 to a State and public water system under subparagraph

1 (A), the Administrator may provide such advice and tech-
2 nical assistance to such State and public water system as
3 may be appropriate to bring the system into compliance
4 with the requirement by the earliest feasible time. In de-
5 ciding whether the provision of advice or technical assist-
6 ance is appropriate, the Administrator may consider the
7 potential for the violation to result in serious adverse ef-
8 fects to human health, whether the violation has occurred
9 continuously or frequently, and the effectiveness of past
10 technical assistance efforts.”.

11 (b) ADDITIONAL INSPECTIONS.—

12 (1) IN GENERAL.—Section 1414 (42 U.S.C.
13 300g-3) is amended—

14 (A) by redesignating subsections (d)
15 through (i) as subsections (e) through (j), re-
16 spectively; and

17 (B) by inserting after subsection (c) the
18 following:

19 “(d) ADDITIONAL INSPECTIONS FOLLOWING VIOLA-
20 TIONS.—

21 “(1) IN GENERAL.—The Administrator shall,
22 by regulation, and after consultation with the States,
23 prescribe the number, frequency, and type of addi-
24 tional inspections to follow any violation requiring

1 notice under subsection (c). Regulations under this
2 subsection shall—

3 “(A) take into account—

4 “(i) differences between violations
5 that are intermittent or infrequent and vio-
6 lations that are continuous or frequent;

7 “(ii) the seriousness of any potential
8 adverse health effects that may be in-
9 volved; and

10 “(iii) the number and severity of past
11 violations by the public water system; and

12 “(B) specify procedures for inspections fol-
13 lowing a violation by a public water system that
14 has the potential to have serious adverse effects
15 on human health as a result of short-term expo-
16 sure.

17 “(2) STATE PRIMARY ENFORCEMENT RESPONSI-
18 BILITY.—Nothing in this subsection shall be con-
19 strued or applied to modify the requirements of sec-
20 tion 1413.”.

21 (2) CONFORMING AMENDMENTS.—

22 (A) Subsections (a)(1)(B), (a)(2)(A), and
23 (b) of section 1414 (42 U.S.C. 300g-3) are
24 amended by striking “subsection (g)” each
25 place it appears and inserting “subsection (h)”.

1 (B) Section 1448(a) is amended by strik-
2 ing “1414(g)(3)(B)” and inserting
3 “1414(h)(3)(B)”.

4 **SEC. 15. PRESENCE OF PHARMACEUTICALS AND PERSONAL**
5 **CARE PRODUCTS IN SOURCES OF DRINKING**
6 **WATER.**

7 Subsection (a) of section 1442 (42 U.S.C. 300j-1)
8 is amended by adding at the end the following:

9 “(11) PRESENCE OF PHARMACEUTICALS AND PER-
10 SONAL CARE PRODUCTS IN SOURCES OF DRINKING
11 WATER.—

12 “(A) STUDY.—The Administrator shall carry
13 out a study on the presence of pharmaceuticals and
14 personal care products in sources of drinking water,
15 which shall—

16 “(i) identify pharmaceuticals and personal
17 care products that have been detected in
18 sources of drinking water and the levels at
19 which such pharmaceuticals and personal care
20 products have been detected;

21 “(ii) identify the sources of pharma-
22 ceuticals and personal care products in sources
23 of drinking water, including point sources and
24 nonpoint sources of pharmaceutical and per-
25 sonal care products;

1 “(iii) identify the effects of such products
2 on humans, the environment, and the safety of
3 drinking water; and

4 “(iv) identify methods to control, limit,
5 treat, or prevent the presence of such products.

6 “(B) CONSULTATION.—The Administrator shall
7 conduct the study described in subparagraph (A) in
8 consultation with the Secretary of Health and
9 Human Services (acting through the Commissioner
10 of Food and Drugs), the Director of the United
11 States Geological Survey, the heads of other appro-
12 priate Federal agencies (including the National In-
13 stitute of Environmental Health Sciences), and other
14 interested stakeholders (including manufacturers of
15 pharmaceuticals and personal care products and
16 consumer groups and advocates).

17 “(C) REPORT.—Not later than 4 years after
18 the date of the enactment of this paragraph, the Ad-
19 ministrator shall submit to the Congress a report on
20 the results of the study carried out under this para-
21 graph.

22 “(D) DEFINITIONS.—In this paragraph:

23 “(i) The term ‘personal care product’ has
24 the meaning given the term ‘cosmetic’ in section

1 201 of the Federal Food, Drug, and Cosmetic
2 Act.

3 “(ii) The term ‘pharmaceutical’ has the
4 meaning given the term ‘drug’ in section 201 of
5 the Federal Food, Drug, and Cosmetic Act.”.

6 **SEC. 16. ELECTRONIC REPORTING OF COMPLIANCE MONI-**
7 **TORING DATA TO THE ADMINISTRATOR.**

8 (a) REQUIREMENT.—Section 1414 (42 U.S.C. 300g–
9 3), as amended, is further amended by adding at the end
10 the following:

11 “(k) ELECTRONIC REPORTING OF COMPLIANCE
12 MONITORING DATA TO THE ADMINISTRATOR.—The Ad-
13 ministrators shall by rule establish requirements for—

14 “(1) electronic submission by public water sys-
15 tems of all compliance monitoring data—

16 “(A) to the Administrator; or

17 “(B) with respect to public water systems
18 in a State which has primary enforcement re-
19 sponsibility under section 1413, to such State;
20 and

21 “(2) electronic submission to the Administrator
22 by each State which has primary enforcement re-
23 sponsibility under section 1413 of all compliance
24 monitoring data submitted to such State by public
25 water systems pursuant to paragraph (1)(B).”.

1 (b) FINAL RULE.—Not later than 12 months after
2 the date of the enactment of this Act, the Administrator
3 of the Environmental Protection Agency shall issue a final
4 rule to carry out section 1414(k) of the Safe Drinking
5 Water Act, as added by subsection (a).

6 **SEC. 17. BEST PRACTICES FOR ADMINISTRATION OF STATE**
7 **REVOLVING LOAN FUND PROGRAMS.**

8 Section 1452 (42 U.S.C. 300j–12) is amended by in-
9 serting after subsection (r), as added by section 7(b), the
10 following:

11 “(s) BEST PRACTICES FOR PROGRAM ADMINISTRA-
12 TION.—The Administrator shall—

13 “(1) collect information from States on admin-
14 istration of State programs with respect to State
15 loan funds, including—

16 “(A) efforts to streamline the process for
17 applying for assistance through such programs;

18 “(B) programs in place to assist with the
19 completion of application forms;

20 “(C) incentives provided to systems that
21 partner with small public water systems for the
22 application process; and

23 “(D) techniques to ensure that obligated
24 balances are liquidated in a timely fashion;

1 “(2) not later than 3 years after the date of en-
2 actment of the Assistance, Quality, and Affordability
3 Act of 2016, disseminate to the States best practices
4 for administration of such programs, based on the
5 information collected pursuant to this subsection;
6 and

7 “(3) periodically update such best practices, as
8 appropriate.”.

9 **SEC. 18. WATER LOSS AND LEAK CONTROL TECHNOLOGY.**

10 Part E of the Safe Drinking Water Act (42 U.S.C.
11 300j et seq.) is amended by adding at the end the fol-
12 lowing:

13 **“SEC. 1460. WATER LOSS AND LEAK CONTROL TECH-**
14 **NOLOGY.**

15 “The Administrator shall—

16 “(1) not later than 5 years after the date of en-
17 actment of the Assistance, Quality, and Affordability
18 Act of 2016, develop criteria for effective water loss
19 and leak control technology to be used by water sys-
20 tems; and

21 “(2) implement a program through which a
22 manufacturer of such technology may apply, on a
23 voluntary basis, for certification of compliance with
24 such criteria.”.

1 **SEC. 19. RISKS OF DROUGHT TO DRINKING WATER.**

2 Part E of the Safe Drinking Water Act (42 U.S.C.
3 300j et seq.), as amended, is further amended by adding
4 at the end the following new section:

5 **“SEC. 1460A. DROUGHT RISK ASSESSMENT AND MANAGE-**
6 **MENT.**

7 “(a) STRATEGIC PLAN.—

8 “(1) DEVELOPMENT.—Not later than 90 days
9 after the date of enactment of this section, the Ad-
10 ministrator shall develop and submit to Congress a
11 strategic plan for assessing and managing the risks
12 of drought to drinking water provided by public
13 water systems. The strategic plan shall include steps
14 and timelines to—

15 “(A) evaluate the risks posed by drought
16 to drinking water provided by public water sys-
17 tems;

18 “(B) establish a comprehensive list of the
19 effects of drought on drinking water provided
20 by public water systems which the Adminis-
21 trator determines may have an adverse effect
22 on human health;

23 “(C) summarize—

24 “(i) the known adverse human health
25 effects resulting from the effects of

1 drought on drinking water included on the
2 list established under subparagraph (B);

3 “(ii) factors that cause drought; and

4 “(iii) factors that exacerbate the ef-
5 fects of drought on drinking water pro-
6 vided by public water systems;

7 “(D) with respect to the effects of drought
8 on drinking water included on the list estab-
9 lished under subparagraph (B), determine
10 whether to—

11 “(i) establish guidance regarding fea-
12 sible analytical methods to quantify such
13 effects; and

14 “(ii) establish guidance regarding the
15 frequency of monitoring necessary to de-
16 tect such effects;

17 “(E) recommend feasible treatment op-
18 tions, including procedures, equipment, and
19 source water protection practices, to mitigate
20 such effects; and

21 “(F) enter into cooperative agreements
22 with, and provide technical assistance to, af-
23 fected States and public water systems, as iden-
24 tified by the Administrator, for the purpose of

1 managing risks associated with the effects of
2 drought on drinking water.

3 “(2) UPDATES.—The Administrator shall, as
4 appropriate, update and submit to Congress the
5 strategic plan developed under paragraph (1).

6 “(b) INFORMATION COORDINATION.—In carrying out
7 this section the Administrator shall—

8 “(1) identify gaps in the Agency’s under-
9 standing of the effects of drought on drinking water
10 provided by public water systems, including—

11 “(A) the human health effects of drought;

12 and

13 “(B) methods and means of testing and
14 monitoring for the effects of drought on source
15 water of, or drinking water provided by, public
16 water systems;

17 “(2) as appropriate, consult with—

18 “(A) other Federal agencies that—

19 “(i) examine or analyze drought; or

20 “(ii) address public health concerns
21 related to drought;

22 “(B) States;

23 “(C) operators of public water systems;

24 “(D) multinational agencies;

25 “(E) foreign governments;

1 “(F) research and academic institutions;
2 and

3 “(G) companies that provide relevant
4 drinking water treatment options; and

5 “(3) assemble and publish information from
6 each Federal agency that has—

7 “(A) examined or analyzed drought; or

8 “(B) addressed public health concerns re-
9 lated to drought.

10 “(c) USE OF SCIENCE.—The Administrator shall
11 carry out this section in accordance with the requirements
12 described in section 1412(b)(3)(A), as applicable.

13 “(d) FEASIBLE.—For purposes of this section, the
14 term ‘feasible’ has the meaning given such term in section
15 1412(b)(4)(D).”.

16 **SEC. 20. DRINKING WATER INFRASTRUCTURE RESILIENCY**
17 **AND SUSTAINABILITY PROGRAM.**

18 Part E of the Safe Drinking Water Act (42 U.S.C.
19 300j et seq.), as amended, is further amended by adding
20 at the end the following new section:

21 **“SEC. 1460B. DRINKING WATER INFRASTRUCTURE RESIL-**
22 **IENCY AND SUSTAINABILITY PROGRAM.**

23 “(a) PROGRAM.—The Administrator shall establish
24 and implement a program, to be known as the Drinking
25 Water Infrastructure Resiliency and Sustainability Pro-

1 gram, for the purpose of increasing the resiliency or
2 adaptability of public water systems to changing hydro-
3 logic conditions. The goals of such program are—

4 “(1) to promote more efficient water use in
5 public water systems;

6 “(2) to promote more efficient energy use in
7 public water systems; and

8 “(3) to ensure that public water systems main-
9 tain a reliable, safe drinking water supply for their
10 customers.

11 “(b) GRANTS.—The Administrator shall establish cri-
12 teria for providing assistance and awarding grants under
13 the program established under this section to owners and
14 operators of public water systems to carry out eligible
15 projects.

16 “(c) ELIGIBLE PROJECTS.—For purposes of this sec-
17 tion, the term ‘eligible project’ means a project for the
18 planning, design, construction, implementation, operation,
19 or maintenance of an improvement to a public water sys-
20 tem that meets the purpose described in subsection (a)
21 by—

22 “(1) improving or expanding the water supply
23 of an existing public water system, including en-
24 hancement of water use efficiency;

1 “(2) modifying or relocating existing public
2 water system infrastructure projected to be signifi-
3 cantly impaired by changing hydrologic conditions;

4 “(3) preserving or improving water quality;

5 “(4) enhancing source water protection;

6 “(5) enhancing energy efficiency or the use and
7 generation of renewable energy in the conveyance or
8 treatment of drinking water;

9 “(6) promoting the adoption and use of water
10 reuse and recycling by customers served by the pub-
11 lic water system, including the use of gray water
12 systems; and

13 “(7) implementing measures to increase the re-
14 silience of public water systems to rapid hydrologic
15 change or a natural disaster.

16 “(d) APPLICATION.—To seek a grant under this sec-
17 tion the owner or operator of a public water system shall
18 submit to the Administrator a proposal for an eligible
19 project that includes, as appropriate—

20 “(1) a description of the risk to the source
21 water or infrastructure of the public water system
22 resulting from changes to the hydrologic system of
23 the region in which the public water system is lo-
24 cated;

1 “(2) a description of how the proposed eligible
2 project would address the risk due to the changes in
3 hydrologic conditions and enhance the resiliency of
4 the public water system;

5 “(3) a description of how the proposed project
6 will enhance efficiency in the use of energy by the
7 public water system;

8 “(4) a description of how the proposed project
9 will enhance the quality and quantity of the water
10 supply for the public water system; and

11 “(5) a description of how the proposed eligible
12 project is consistent with or contributes to any appli-
13 cable State, tribal, or local climate adaptation plan.

14 “(e) PRIORITY.—

15 “(1) DRINKING WATER SYSTEMS AT GREATEST
16 AND MOST IMMEDIATE RISK.—In awarding grants
17 under this section, the Administrator shall give pri-
18 ority to public water systems that are at the greatest
19 and most immediate risk of facing significant nega-
20 tive impacts due to changing hydrologic conditions.

21 “(2) GOALS.—In selecting among public water
22 systems described in paragraph (1), the Adminis-
23 trator shall ensure that, to the extent practicable,
24 for each year, eligible projects for which grants are
25 awarded will use innovative approaches to meet one

1 or more of the goals of the program described in
2 subsection (a).

3 “(f) COST-SHARING.—

4 “(1) FEDERAL SHARE.—The Federal share of
5 the cost of any eligible project for which a grant is
6 awarded by the Administrator to an owner or oper-
7 ator of a public water system under this section
8 shall not exceed 50 percent of the cost of the eligible
9 project.

10 “(2) CALCULATION OF NON-FEDERAL SHARE.—

11 In calculating the non-Federal share of the cost of
12 an eligible project, the Administrator shall—

13 “(A) include the value of any in-kind serv-
14 ices that are integral to the completion of the
15 eligible project, including reasonable adminis-
16 trative and overhead costs; and

17 “(B) not include any other amount that
18 the owner or operator of a public water system
19 receives from the Federal Government.

20 “(g) REPORT TO CONGRESS.—Not later than 3 years
21 after the date of the enactment of this section, and every
22 3 years thereafter, the Administrator shall submit to Con-
23 gress a report on progress in implementing this section,
24 including information on project applications received and
25 funded annually.

1 “(h) AUTHORIZATION OF APPROPRIATIONS.—There
2 is authorized to be appropriated to carry out this section
3 \$50,000,000 for each of fiscal years 2017 through 2021.”.

4 **SEC. 21. REDUCING LEAD IN DRINKING WATER.**

5 Section 1417 (42 U.S.C. 300g–6) is amended by add-
6 ing at the end the following:

7 “(f) REPLACING LEAD SERVICE LINES.—

8 “(1) DEFINITIONS.—In this subsection:

9 “(A) ELIGIBLE ENTITY.—The term ‘eligi-
10 ble entity’ means—

11 “(i) an owner or operator of a public
12 water system;

13 “(ii) a qualified nonprofit organiza-
14 tion, as determined by the Administrator;
15 or

16 “(iii) a municipality or a State, inter-
17 state, or intermunicipal agency.

18 “(B) LEAD PIPE REPLACEMENT PRO-
19 GRAM.—The term ‘lead pipe replacement pro-
20 gram’ means a project or activity the primary
21 purpose of which is to eliminate lead in water
22 for human consumption by—

23 “(i) replacing lead service lines;

24 “(ii) testing, planning, or carrying out
25 other relevant activities, as determined by

1 the Administrator, to identify the location
2 and condition of lead service lines; or

3 “(iii) providing assistance to low-in-
4 come homeowners to replace privately
5 owned lead service lines.

6 “(C) LEAD SERVICE LINE.—The term
7 ‘lead service line’ means a service line made of
8 lead within a public water system, including
9 pipes that connect the water main to the build-
10 ing inlet, privately owned lead service lines that
11 deliver water for human consumption from a
12 public water system to a building inlet, and any
13 lead pigtail, gooseneck, or other fitting that is
14 connected to such lead lines.

15 “(D) LOW-INCOME HOMEOWNER.—The
16 term ‘low-income homeowner’ has such meaning
17 as may be given the term by the Governor of
18 the applicable State.

19 “(2) GRANT PROGRAM.—

20 “(A) ESTABLISHMENT.—Not later than
21 180 days after the date of enactment of this
22 subsection, the Administrator shall establish a
23 grant program to provide assistance to eligible
24 entities for lead pipe replacement programs.

1 “(B) EVALUATION.—In determining
2 whether to provide assistance to an eligible enti-
3 ty under this subsection, the Administrator
4 shall evaluate whether the eligible entity has—

5 “(i) a current inventory of lead service
6 lines in the applicable public water system;

7 “(ii) a plan to notify customers of
8 such public water system of the replace-
9 ment of any publicly owned portion of a
10 lead service line;

11 “(iii) a plan to replace the privately
12 owned portion of a lead service line at the
13 cost of replacement;

14 “(iv) a plan for a program of assist-
15 ance to low-income homeowners to replace
16 the privately owned portion of lead service
17 lines; or

18 “(v) a plan of recommended measures
19 to avoid exposure of the public to short-
20 term increases in lead levels following a
21 lead service line replacement.

22 “(C) PRIORITY APPLICATION.—In pro-
23 viding assistance under this subsection, the Ad-
24 ministrators shall give priority to an eligible en-
25 tity that—

1 “(i) will carry out a lead pipe replace-
2 ment program at a public water system
3 that has exceeded the lead action level es-
4 tablished by the Administrator at any time
5 during the 3-year period preceding the
6 date of submission of the application of the
7 eligible entity;

8 “(ii) will address lead levels in water
9 for human consumption at a school,
10 daycare, or other facility that primarily
11 serves children or subpopulations at great-
12 er risk as identified under section 1458(a);

13 “(iii) will include in the lead pipe re-
14 placement program a program to provide
15 assistance to low-income homeowners; or

16 “(iv) addresses such priority criteria
17 as the Administrator may establish, con-
18 sistent with the goal of reducing lead in
19 water for human consumption.

20 “(D) COST SHARING.—

21 “(i) IN GENERAL.—Subject to clause
22 (ii), the non-Federal share of the total cost
23 of a program funded by a grant provided
24 under this subsection shall be not less than
25 20 percent.

1 “(ii) WAIVER.—The Administrator
2 may reduce or eliminate the non-Federal
3 share required under clause (i) for reasons
4 of affordability, as the Administrator de-
5 termines to be appropriate.

6 “(E) LOW-INCOME HOMEOWNER ASSIST-
7 ANCE.—

8 “(i) IN GENERAL.—Subject to clauses
9 (ii) and (iii), an eligible entity may use a
10 grant provided under this subsection to
11 provide assistance to low-income home-
12 owners to replace privately owned lead
13 service lines.

14 “(ii) LOW-INCOME HOMEOWNER AS-
15 SISTANCE CAP.—Of the funds made avail-
16 able to carry out this subsection, not more
17 than \$10,000,000 may be allocated to pro-
18 vide assistance to low-income homeowners
19 under this subparagraph for any fiscal
20 year.

21 “(iii) LIMITATION.—The amount of
22 assistance provided to an individual low-in-
23 come homeowner under this subparagraph
24 shall not exceed \$10,000.

1 “(3) GUIDANCE.—Not later than 180 days
2 after the date of enactment of this subsection the
3 Administrator shall, in cooperation with States and
4 qualified non-profit organizations, develop guidance
5 for owners and operators of public water systems to
6 assist such owners and operators in the preparation
7 of an inventory of lead service lines in their public
8 water system.

9 “(4) AUTHORIZATION OF APPROPRIATIONS.—
10 There is authorized to be appropriated to carry out
11 this subsection \$100,000,000 for each of fiscal years
12 2017 through 2021.”.