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.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,
SECTION 1. SHORT TITLE; TABLE OF CONTENTS; REFERENCES.

(a) Short Title.—This Act may be cited as the “Assistance, Quality, and Affordability Act of 2016”.

(b) Table of Contents.—The table of contents of 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. 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.

(c) References.—Except as otherwise specified, whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of the Safe Drinking Water Act (42 U.S.C. 300f et seq.).
SEC. 2. PREVAILING WAGES.

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

“(e) LABOR STANDARDS.—

“(1) IN GENERAL.—The Administrator shall take such action as the Administrator determines to be necessary to ensure that each laborer and mechanic employed by a contractor or subcontractor in connection with a construction project financed, in whole or in part, by a grant, loan, loan guarantee, refinancing, or any other form of financial assistance provided under this title (including assistance provided by a State loan fund established under section 1452) is paid wages at a rate of not less than the wages prevailing for the same type of work on similar construction in the immediate locality, as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code.

“(2) AUTHORITY OF SECRETARY OF LABOR.—

With respect to the labor standards specified in this subsection, the Secretary of Labor shall have the authority and functions established in Reorganization Plan Numbered 14 of 1950 (5 U.S.C. App.) and section 3145 of title 40, United States Code.”.
SEC. 3. USE OF FUNDS.

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

(1) by striking “Except as otherwise” and inserting the following:

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

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

“(B) PERMISSIBLE EXPENDITURES.—Financial assistance under this section”;

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

“(D) CERTAIN LOANS.—Financial assistance under this section may also be used”;

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

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

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

“(F) SET-ASIDE.—Of the amount credited”;

(6) in subparagraph (B) (as designated by paragraph (2)) by striking “(not” and inserting “(including expenditures for planning, design, siting, and associated preconstruction activities, for replac-
ing or rehabilitating aging treatment, storage, or
distribution facilities of public water systems, or for
producing or capturing sustainable energy on site or
through the transportation of water through the
public water system, but not”; and
(7) by inserting after such subparagraph (B)
the following:
“(C) SALE OF BONDS.—If a State issues
revenue or general obligation bonds to provide
all or part of the State contribution required by
subsection (e), and the proceeds of the sale of
such bonds will be deposited into the State loan
fund—
“(i) financial assistance made avail-
able under this section may be used by the
State as security for payment of the prin-
cipal and interest on such bonds; and
“(ii) interest earnings of the State
loan fund may be used by the State as rev-
ence for payment of the principal and in-
terest on such bonds.”.

SEC. 4. REQUIREMENTS FOR USE OF AMERICAN MATE-
RIALS.

Section 1452(a) (42 U.S.C. 300j–12(a)) is amended
by adding at the end the following new paragraph:
“(4) Requirements for Use of American Materials.—

“(A) In General.—Notwithstanding any other provision of law, none of the funds made available by a State loan fund as authorized under this section may be used for a project for the construction, alteration, maintenance, or repair of a public water system unless all of the iron and steel products used in such project are produced in the United States.

“(B) Application.—Subparagraph (A) shall not apply in any case in which the Administrator (in consultation with the Governor of the State) finds that—

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

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

“(iii) inclusion of iron and steel products produced in the United States will increase the cost of the overall project by more than 25 percent.
“(C) WAIVER.—If the Administrator receives a request for a waiver under this section, the Administrator shall—

“(i) make available to the public, on an informal basis, a copy of the request and information available to the Administrator concerning the request;

“(ii) make the request and accompanying information available by electronic means, including on the official public Internet site of the Environmental Protection Agency; and

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

“(D) CONSISTENCY WITH INTERNATIONAL AGREEMENTS.—This paragraph shall be applied in a manner consistent with United States obligations under international agreements.

“(E) DEFINITION OF IRON AND STEEL PRODUCTS.—In this paragraph, the term ‘iron and steel products’ means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks,
flanges, pipe clamps and restraints, valves,
structural steel, reinforced precast concrete,
and construction materials.”.

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

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

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

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

(3) by adding at the end the following:

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

“(i) the national primary drinking
water regulation in question for each such
exemption, variance, or violation; and
“(ii) the date on which the exemption or variance came into effect or the violation began.”.

SEC. 6. ASSISTANCE FOR RESTRUCTURING.

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

“(17) RESTRUCTURING.—The term ‘restructuring’ means changes in operations (including ownership, management, cooperative partnerships, joint purchasing arrangements, consolidation, and alternative water supply).”.

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

SEC. 7. PRIORITY AND WEIGHT OF APPLICATIONS.

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

(1) in subparagraph (A)—

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

(B) in clause (iii), by striking the period at the end and inserting “; and”; and
(C) by adding at the end the following:

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

(2) by redesignating subparagraph (B) as subparagraph (D);

(3) by inserting after subparagraph (A) the following:

“(B) AFFORDABILITY OF NEW STANDARDS.—For any year in which enforcement begins for a new national primary drinking water standard, each State that has entered into a capitalization agreement pursuant to this section shall evaluate whether capital improvements required to meet the standard are affordable for disadvantaged communities (as defined in subsection (d)(3)) in the State. If the State finds that such capital improvements do not meet affordability criteria for disadvantaged communities in the State, the State’s intended use plan shall provide that priority for the use of funds for such year be given to public water systems affected by the standard and serving disadvantaged communities.
“(C) Weight given to applications.—

After determining priority under subparagraphs (A) and (B), an intended use plan shall provide that the State will give greater weight to an application for assistance if the application contains—

“(i) a description of measures undertaken by the system to improve the management and financial stability of the system, which may include—

“(I) an inventory of assets, including a description of the condition of the assets;

“(II) a schedule for replacement of assets;

“(III) an audit of water losses;

“(IV) a financing plan that factors in all lifecycle costs indicating sources of revenue from ratepayers, grants, bonds, other loans, and other sources to meet the costs; and

“(V) a review of options for restructuring;
“(ii) a demonstration of consistency with State, regional, and municipal watershed plans;

“(iii) a water conservation plan consistent with guidelines developed for such plans by the Administrator under section 1455(a); and

“(iv) a description of measures undertaken by the system to improve the efficiency of the system or reduce the system’s environmental impact, which may include—

“(I) water efficiency or conservation, including the rehabilitation or replacement of existing leaking pipes;

“(II) use of reclaimed water;

“(III) actions to increase energy efficiency;

“(IV) actions to generate or capture sustainable energy on site or through the transportation of water through the system;

“(V) actions to protect source water;
“(VI) actions to mitigate or prevent corrosion, including design, selection of materials, selection of coating, and cathodic protection; and

“(VII) actions to reduce disinfection byproducts.”; and

(4) in subparagraph (D) (as redesignated by paragraph (2)) by striking “periodically” and inserting “at least biennially”.

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

(1) by redesignating subsection (r) as subsection (t); and

(2) by inserting after subsection (q) the following:

“(r) SMALL SYSTEM GUIDANCE.—The Administrator may provide guidance and, as appropriate, tools, methodologies, or computer software, to assist small systems in undertaking measures to improve the management, financial stability, and efficiency of the system or reduce the system’s environmental impact.”.

SEC. 8. DISADVANTAGED COMMUNITIES.

(a) ASSISTANCE TO INCREASE COMPLIANCE.—Section 1452(b)(3) (42 U.S.C. 300j–12(b)(3)), as amended, is further amended by adding at the end the following:
“(E) ASSISTANCE TO INCREASE COMPLIANCE.—A State’s intended use plan shall provide that, of the funds received by the State through a capitalization grant under this section for a fiscal year, the State will, to the extent that there are sufficient eligible project applications, reserve not less than 6 percent to be spent on assistance under subsection (d) to public water systems included in the State’s most recent list under paragraph (2)(D).”

(b) ASSISTANCE FOR DISADVANTAGED COMMUNITIES.—Section 1452(d) (42 U.S.C. 300j–12(d)) is amended—

(1) in paragraph (1), by adding at the end the following: “Such additional subsidization shall directly and primarily benefit the disadvantaged community.”; and

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

(e) AFFORDABILITY CRITERIA.—Section 1452(d)(3) is amended by adding at the end: “Each State that has entered into a capitalization agreement pursuant to this section shall, in establishing affordability criteria, consider, solicit public comment on, and include as appropriate—
“(A) the methods or criteria that the State will use to identify disadvantaged communities;

“(B) a description of the institutional, regulatory, financial, tax, or legal factors at the Federal, State, or local level that affect identified affordability criteria; and

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

SEC. 9. ADMINISTRATION OF STATE LOAN FUNDS.

Section 1452(g) (42 U.S.C. 300j–12(g)) is amended—

(1) in paragraph (2)—

(A) in the first sentence, by striking “up to 4 percent of the funds allotted to the State under this section” and inserting “, for each fiscal year, an amount that does not exceed the sum of the amount of any fees collected by the State for use in covering reasonable costs of administration of programs under this section, regardless of the source, and an amount equal to the greatest of $400,000, 1⁄5 of one percent of the current valuation of the State loan fund, or
6 percent of all grant awards to the State loan fund under this section for the fiscal year;”;

(B) by striking “1419,” and all that follows through “1993.” and inserting “1419.”;

and

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

(2) by adding at the end the following:

“(5) TRANSFER OF FUNDS.—

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

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

“(I) 33 percent of a capitalization grant made under this section; or

“(II) 33 percent of a capitalization grant made under section 601 of the Federal Water Pollution Control Act; and

“(ii) add the funds so reserved to any funds provided to the State under this section or section 601 of the Federal Water Pollution Control Act.
“(B) State matching funds.—Funds reserved under this paragraph shall not be considered for purposes of calculating the amount of a State contribution required by subsection (e) of this section or section 602(b) of the Federal Water Pollution Control Act.”.

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

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

SEC. 11. AUTHORIZATION OF APPROPRIATIONS.

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

“(m) Authorization of Appropriations.—

“(1) In general.—There are authorized to be appropriated to carry out this section—

“(A) $3,130,000,000 for fiscal year 2017;
“(B) $3,600,000,000 for fiscal year 2018;
“(C) $4,140,000,000 for fiscal year 2019;
“(D) $4,800,000,000 for fiscal year 2020;
and
“(E) $5,500,000,000 for fiscal year 2021.
“(2) Availability.—Amounts made available pursuant to this subsection shall remain available until expended.

“(3) Reservation for needs surveys.—Of the amount made available under paragraph (1) to carry out this section for a fiscal year, the Administrator may reserve not more than $1,000,000 per year to pay the costs of conducting needs surveys under subsection (h).”.

SEC. 12. AFFORDABILITY OF NEW STANDARDS.

(a) Treatment Technologies for Small Public Water Systems.—Clause (ii) of section 1412(b)(4)(E) (42 U.S.C. 300g–1(b)(4)(E)) is amended by adding at the end the following: “If no technology, treatment technique, or other means is included in a list under this subparagraph for a category of small public water systems, the Administrator shall periodically review the list and supplement it when new technology becomes available.”.

(b) Assistance for Disadvantaged Communities.—

(1) In general.—Subparagraph (E) of section 1452(a)(1) (42 U.S.C. 300j–12(a)(1)) is amended—

(A) by striking “except that the Administrator may reserve” and inserting “except that—
“(i) in any year in which enforcement
of a new national primary drinking water
standard begins, the Administrator may
use the remaining amount to make grants
to States whose public water systems are
disproportionately affected by the new
standard for the provision of assistance
under subsection (d) to such public water
systems;

“(ii) the Administrator may reserve”;

and

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

“(iii) none of the funds reallocated”.

(2) ELIMINATION OF CERTAIN PROVISIONS.—

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

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

(3) CONFORMING AMENDMENTS.—

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

(i) by striking “experienced by—” and

all that follows through “would justify”
and inserting “experienced by persons
served by large public water systems would
justify”; and

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

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

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

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

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

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

February 26, 2016 (3:53 p.m.)
SEC. 13. FOCUS ON LIFECYCLE COSTS.

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

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

(2) in the matter preceding subclause (I) in subparagraph (E)(ii), by inserting “taking lifecycle costs, including maintenance, replacement, and avoided costs, into consideration,” after “as determined by the Administrator in consultation with the States,”.

SEC. 14. ENFORCEMENT.

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

(1) in the matter following clause (ii) in subsection (a)(1)(A), by striking “and provide such advice and technical assistance to such State and public water system as may be appropriate to bring the system into compliance with the requirement by the earliest feasible time”; and

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

“(C) At any time after providing notice of a violation to a State and public water system under subparagraph
(A), the Administrator may provide such advice and technical assistance to such State and public water system as may be appropriate to bring the system into compliance with the requirement by the earliest feasible time. In deciding whether the provision of advice or technical assistance is appropriate, the Administrator may consider the potential for the violation to result in serious adverse effects to human health, whether the violation has occurred continuously or frequently, and the effectiveness of past technical assistance efforts.”.

(b) ADDITIONAL INSPECTIONS.—

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

(A) by redesignating subsections (d) through (i) as subsections (e) through (j), respectively; and

(B) by inserting after subsection (e) the following:

“(d) ADDITIONAL INSPECTIONS FOLLOWING VIOLATIONS.—

“(1) IN GENERAL.—The Administrator shall, by regulation, and after consultation with the States, prescribe the number, frequency, and type of additional inspections to follow any violation requiring
notice under subsection (c). Regulations under this subsection shall—

“(A) take into account—

“(i) differences between violations that are intermittent or infrequent and violations that are continuous or frequent;

“(ii) the seriousness of any potential adverse health effects that may be involved; and

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

“(B) specify procedures for inspections following a violation by a public water system that has the potential to have serious adverse effects on human health as a result of short-term exposure.

“(2) State primary enforcement responsibility.—Nothing in this subsection shall be construed or applied to modify the requirements of section 1413.”.

(2) Conforming amendments.—

(A) Subsections (a)(1)(B), (a)(2)(A), and (b) of section 1414 (42 U.S.C. 300g–3) are amended by striking “subsection (g)” each place it appears and inserting “subsection (h)”. 
(B) Section 1448(a) is amended by striking "1414(g)(3)(B)" and inserting "1414(h)(3)(B)".

SEC. 15. PRESENCE OF PHARMACEUTICALS AND PERSONAL CARE PRODUCTS IN SOURCES OF DRINKING WATER.

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

“(11) PRESENCE OF PHARMACEUTICALS AND PERSONAL CARE PRODUCTS IN SOURCES OF DRINKING WATER.—

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

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

“(ii) identify the sources of pharmaceuticals and personal care products in sources of drinking water, including point sources and nonpoint sources of pharmaceutical and personal care products;
“(iii) identify the effects of such products on humans, the environment, and the safety of drinking water; and

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

“(B) CONSULTATION.—The Administrator shall conduct the study described in subparagraph (A) in consultation with the Secretary of Health and Human Services (acting through the Commissioner of Food and Drugs), the Director of the United States Geological Survey, the heads of other appropriate Federal agencies (including the National Institute of Environmental Health Sciences), and other interested stakeholders (including manufacturers of pharmaceuticals and personal care products and consumer groups and advocates).

“(C) REPORT.—Not later than 4 years after the date of the enactment of this paragraph, the Administrator shall submit to the Congress a report on the results of the study carried out under this paragraph.

“(D) DEFINITIONS.—In this paragraph:

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

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

SEC. 16. ELECTRONIC REPORTING OF COMPLIANCE MONITORING DATA TO THE ADMINISTRATOR.

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

“(k) ELECTRONIC REPORTING OF COMPLIANCE MONITORING DATA TO THE ADMINISTRATOR.—The Administrator shall by rule establish requirements for—

“(1) electronic submission by public water systems of all compliance monitoring data—

“(A) to the Administrator; or

“(B) with respect to public water systems in a State which has primary enforcement responsibility under section 1413, to such State;

and

“(2) electronic submission to the Administrator by each State which has primary enforcement responsibility under section 1413 of all compliance monitoring data submitted to such State by public water systems pursuant to paragraph (1)(B).”.
(b) Final Rule.—Not later than 12 months after the date of the enactment of this Act, the Administrator of the Environmental Protection Agency shall issue a final rule to carry out section 1414(k) of the Safe Drinking Water Act, as added by subsection (a).

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

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

“(s) Best Practices for Program Administration.—The Administrator shall—

“(1) collect information from States on administration of State programs with respect to State loan funds, including—

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

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

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

“(D) techniques to ensure that obligated balances are liquidated in a timely fashion;
“(2) not later than 3 years after the date of enactment of the Assistance, Quality, and Affordability Act of 2016, disseminate to the States best practices for administration of such programs, based on the information collected pursuant to this subsection; and

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

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

Part E of the Safe Drinking Water Act (42 U.S.C. 300j et seq.) is amended by adding at the end the following:

“SEC. 1460. WATER LOSS AND LEAK CONTROL TECHNOLOGY.

“The Administrator shall—

“(1) not later than 5 years after the date of enactment of the Assistance, Quality, and Affordability Act of 2016, develop criteria for effective water loss and leak control technology to be used by water systems; and

“(2) implement a program through which a manufacturer of such technology may apply, on a voluntary basis, for certification of compliance with such criteria.”.
SEC. 19. RISKS OF DROUGHT TO DRINKING WATER.

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

“SEC. 1460A. DROUGHT RISK ASSESSMENT AND MANAGEMENT.

“(a) STRATEGIC PLAN.—

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

“(A) evaluate the risks posed by drought to drinking water provided by public water systems;

“(B) establish a comprehensive list of the effects of drought on drinking water provided by public water systems which the Administrator determines may have an adverse effect on human health;

“(C) summarize—

“(i) the known adverse human health effects resulting from the effects of
drought on drinking water included on the list established under subparagraph (B);

“(ii) factors that cause drought; and

“(iii) factors that exacerbate the effects of drought on drinking water provided by public water systems;

“(D) with respect to the effects of drought on drinking water included on the list established under subparagraph (B), determine whether to—

“(i) establish guidance regarding feasible analytical methods to quantify such effects; and

“(ii) establish guidance regarding the frequency of monitoring necessary to detect such effects;

“(E) recommend feasible treatment options, including procedures, equipment, and source water protection practices, to mitigate such effects; and

“(F) enter into cooperative agreements with, and provide technical assistance to, affected States and public water systems, as identified by the Administrator, for the purpose of
managing risks associated with the effects of drought on drinking water.

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

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

“(1) identify gaps in the Agency’s understanding of the effects of drought on drinking water provided by public water systems, including—

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

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

“(2) as appropriate, consult with—

“(A) other Federal agencies that—

“(i) examine or analyze drought; or

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

“(B) States;

“(C) operators of public water systems;

“(D) multinational agencies;

“(E) foreign governments;
“(F) research and academic institutions;

and

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

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

“(A) examined or analyzed drought; or

“(B) addressed public health concerns related to drought.

“(c) Use of Science.—The Administrator shall carry out this section in accordance with the requirements described in section 1412(b)(3)(A), as applicable.

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

SEC. 20. DRINKING WATER INFRASTRUCTURE RESILIENCY AND SUSTAINABILITY PROGRAM.

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

“SEC. 1460B. DRINKING WATER INFRASTRUCTURE RESILIENCY AND SUSTAINABILITY PROGRAM.

“(a) Program.—The Administrator shall establish and implement a program, to be known as the Drinking Water Infrastructure Resiliency and Sustainability Pro-
gram, for the purpose of increasing the resiliency or adaptability of public water systems to changing hydrologic conditions. The goals of such program are—

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

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

“(3) to ensure that public water systems maintain a reliable, safe drinking water supply for their customers.

“(b) GRANTS.—The Administrator shall establish criteria for providing assistance and awarding grants under the program established under this section to owners and operators of public water systems to carry out eligible projects.

“(c) ELIGIBLE PROJECTS.—For purposes of this section, the term ‘eligible project’ means a project for the planning, design, construction, implementation, operation, or maintenance of an improvement to a public water system that meets the purpose described in subsection (a) by—

“(1) improving or expanding the water supply of an existing public water system, including enhancement of water use efficiency;
“(2) modifying or relocating existing public water system infrastructure projected to be significantly impaired by changing hydrologic conditions;

“(3) preserving or improving water quality;

“(4) enhancing source water protection;

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

“(6) promoting the adoption and use of water reuse and recycling by customers served by the public water system, including the use of gray water systems; and

“(7) implementing measures to increase the resilience of public water systems to rapid hydrologic change or a natural disaster.

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

“(1) a description of the risk to the source water or infrastructure of the public water system resulting from changes to the hydrologic system of the region in which the public water system is located;
“(2) a description of how the proposed eligible project would address the risk due to the changes in hydrologic conditions and enhance the resiliency of the public water system;

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

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

“(5) a description of how the proposed eligible project is consistent with or contributes to any applicable State, tribal, or local climate adaptation plan.

“(e) PRIORITY.—

“(1) DRINKING WATER SYSTEMS AT GREATEST AND MOST IMMEDIATE RISK.—In awarding grants under this section, the Administrator shall give priority to public water systems that are at the greatest and most immediate risk of facing significant negative impacts due to changing hydrologic conditions.

“(2) GOALS.—In selecting among public water systems described in paragraph (1), the Administrator shall ensure that, to the extent practicable, for each year, eligible projects for which grants are awarded will use innovative approaches to meet one
or more of the goals of the program described in subsection (a).

“(f) Cost-sharing.—

“(1) Federal share.—The Federal share of the cost of any eligible project for which a grant is awarded by the Administrator to an owner or operator of a public water system under this section shall not exceed 50 percent of the cost of the eligible project.

“(2) Calculation of non-Federal share.—

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

“(A) include the value of any in-kind services that are integral to the completion of the eligible project, including reasonable administrative and overhead costs; and

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

“(g) Report to Congress.—Not later than 3 years after the date of the enactment of this section, and every 3 years thereafter, the Administrator shall submit to Congress a report on progress in implementing this section, including information on project applications received and funded annually.
“(h) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section $50,000,000 for each of fiscal years 2017 through 2021.”

SEC. 21. REDUCING LEAD IN DRINKING WATER.

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

“(f) Replacing Lead Service Lines.—

“(1) Definitions.—In this subsection:

“(A) Eligible entity.—The term ‘eligible entity’ means—

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

“(ii) a qualified nonprofit organization, as determined by the Administrator;

or

“(iii) a municipality or a State, interstate, or intermunicipal agency.

“(B) Lead Pipe Replacement Program.—The term ‘lead pipe replacement program’ means a project or activity the primary purpose of which is to eliminate lead in water for human consumption by—

“(i) replacing lead service lines;

“(ii) testing, planning, or carrying out other relevant activities, as determined by
the Administrator, to identify the location
and condition of lead service lines; or

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

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

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

“(2) GRANT PROGRAM.—

“(A) ESTABLISHMENT.—Not later than
180 days after the date of enactment of this
subsection, the Administrator shall establish a
grant program to provide assistance to eligible
entities for lead pipe replacement programs.
“(B) EVALUATION.—In determining whether to provide assistance to an eligible entity under this subsection, the Administrator shall evaluate whether the eligible entity has—

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

“(ii) a plan to notify customers of such public water system of the replacement of any publicly owned portion of a lead service line;

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

“(iv) a plan for a program of assistance to low-income homeowners to replace the privately owned portion of lead service lines; or

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

“(C) PRIORITY APPLICATION.—In providing assistance under this subsection, the Administrator shall give priority to an eligible entity that—
“(i) will carry out a lead pipe replacement program at a public water system that has exceeded the lead action level established by the Administrator at any time during the 3-year period preceding the date of submission of the application of the eligible entity;

“(ii) will address lead levels in water for human consumption at a school, daycare, or other facility that primarily serves children or subpopulations at greater risk as identified under section 1458(a);

“(iii) will include in the lead pipe replacement program a program to provide assistance to low-income homeowners; or

“(iv) addresses such priority criteria as the Administrator may establish, consistent with the goal of reducing lead in water for human consumption.

“(D) COST SHARING.—

“(i) IN GENERAL.—Subject to clause (ii), the non-Federal share of the total cost of a program funded by a grant provided under this subsection shall be not less than 20 percent.
“(ii) WAIVER.—The Administrator may reduce or eliminate the non-Federal share required under clause (i) for reasons of affordability, as the Administrator determines to be appropriate.

“(E) LOW-INCOME HOMEOWNER ASSISTANCE.—

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

“(ii) LOW-INCOME HOMEOWNER ASSISTANCE CAP.—Of the funds made available to carry out this subsection, not more than $10,000,000 may be allocated to provide assistance to low-income homeowners under this subparagraph for any fiscal year.

“(iii) LIMITATION.—The amount of assistance provided to an individual low-income homeowner under this subparagraph shall not exceed $10,000.
“(3) GUIDANCE.—Not later than 180 days after the date of enactment of this subsection the Administrator shall, in cooperation with States and qualified non-profit organizations, develop guidance for owners and operators of public water systems to assist such owners and operators in the preparation of an inventory of lead service lines in their public water system.

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