

114TH CONGRESS
1ST SESSION

H. R. 2983

To provide drought assistance and improved water supply reliability to the State of California, other western States, and the Nation.

IN THE HOUSE OF REPRESENTATIVES

JULY 8, 2015

Mr. HUFFMAN (for himself, Mr. FARR, Mr. MCNERNEY, Mr. DESAULNIER, Mr. THOMPSON of California, Mr. HONDA, Mr. LOWENTHAL, Ms. ESHOO, Mr. GARAMENDI, Mr. TAKAI, Mr. DEFazio, Mr. CÁRDENAS, Mrs. CAPPS, Mr. PETERS, Mr. SWALWELL of California, Ms. LOFGREN, Ms. SPEIER, Mr. O'ROURKE, Ms. LEE, Mr. BERA, Mrs. TORRES, Ms. LINDA T. SÁNCHEZ of California, Mr. GRIJALVA, Ms. LORETTA SANCHEZ of California, Mr. BLUMENAUER, Ms. PINGREE, Mr. PERLMUTTER, Ms. TITUS, Ms. MATSUI, Mrs. NAPOLITANO, Mr. RUIZ, Mrs. DAVIS of California, and Ms. BROWNLEY of California) introduced the following bill; which was referred to the Committee on Natural Resources, and in addition to the Committees on the Budget, Science, Space, and Technology, Transportation and Infrastructure, Energy and Commerce, the Judiciary, Ways and Means, and Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To provide drought assistance and improved water supply reliability to the State of California, other western States, and the Nation.

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; FINDINGS.**

2 (a) SHORT TITLE.—This Act may be cited as the
3 “Drought Recovery and Resilience Act of 2015”.

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

Sec. 1. Short title; table of contents; findings.

TITLE I—EMERGENCY DROUGHT RESPONSE APPROPRIATIONS
FROM RECLAMATION FUND

Sec. 101. Appropriations to be derived from Reclamation Fund.

Sec. 102. Supplemental appropriations for drought relief.

Sec. 103. Supplemental appropriations for the Environmental Protection Agency.

Sec. 104. Supplemental appropriations for the Water Infrastructure Finance and Innovation Act program.

TITLE II—NEW WATER INFRASTRUCTURE PROGRAM
AUTHORIZATIONS

Subtitle A—New Water Recycling and Reclamation Program Through EPA

Sec. 201. Short title; findings; purposes.

Sec. 202. National Water Recycling and Reclamation Program.

Subtitle B—Reclamation Infrastructure Finance and Innovation Act (RIFIA)

Sec. 210. Short title; purposes; definitions.

CHAPTER 1—INNOVATIVE FINANCING

Sec. 211. Purposes.

Sec. 212. Authority to provide assistance.

Sec. 213. Applications.

Sec. 214. Eligibility for assistance.

Sec. 215. Determination of eligibility and project selection.

Sec. 216. Secured loans.

Sec. 217. Program administration.

Sec. 218. State and local permits.

Sec. 219. Regulations.

Sec. 220. Funding.

Sec. 221. Report to Congress.

CHAPTER 2—INTEGRATED REGIONAL WATER MANAGEMENT, RECLAMATION,
AND RECYCLING PROJECTS

Sec. 231. Water storage projects.

Sec. 232. Authorization of appropriations.

CHAPTER 3—RECLAMATION TITLE TRANSFER PROGRAM

Sec. 241. Short title; definitions.

Sec. 242. Authorization of title transfer program.

- Sec. 243. Compliance with environmental and historic preservation laws.
- Sec. 244. Eligibility criteria.
- Sec. 245. Liability.
- Sec. 246. Benefits.
- Sec. 247. Compliance with other laws.
- Sec. 248. Authorization of appropriations.
- Sec. 249. Termination of authority.

Subtitle C—Innovative Stormwater Capture Program

- Sec. 251. Short title.
- Sec. 252. Purposes and findings.
- Sec. 253. Definitions.
- Sec. 254. Centers of Excellence for innovative stormwater control infrastructure.
- Sec. 255. Innovative stormwater control infrastructure project grants.
- Sec. 256. Environmental Protection Agency innovative stormwater control infrastructure promotion.
- Sec. 257. Report to Congress.
- Sec. 258. Authorization of appropriations.

TITLE III—IMPROVED INFRASTRUCTURE AND WATER MANAGEMENT

Subtitle A—Restoring America’s Watersheds and Increasing Water Yields

- Sec. 301. Short title.
- Sec. 302. Findings.
- Sec. 303. Water Source Protection Program.
- Sec. 304. Watershed Condition Framework.
- Sec. 305. Forest Service Legacy Roads and Trails Remediation Program.
- Sec. 306. Reauthorization of the Collaborative Forest Landscape Restoration Fund.

Subtitle B—Reservoir Operation Improvement

- Sec. 311. Short title.
- Sec. 312. Projects, plans, and reports.

Subtitle C—Reclamation Projects for Renewable Energy To Reduce Evaporation Loss

- Sec. 320. Findings and purpose.
- Sec. 321. Definitions.
- Sec. 322. Evaluation and report.
- Sec. 323. Development of solar and wind energy on covered land.
- Sec. 324. Royalties.
- Sec. 325. Disposition of royalty revenue.

Subtitle D—Improved Reclamation Crop Data

- Sec. 331. Definitions.
- Sec. 332. Determination of planting of water-intense permanent crops.
- Sec. 333. Report related to water-intense permanent crops.

Subtitle E—Improved Oversight of State Injection Wells

- Sec. 341. Amendment to the Safe Drinking Water Act.

Subtitle F—Combating Water Theft for Illegal Marijuana Cultivation

- Sec. 351. Policy directive on illegal water diversion for marijuana cultivation.
 Sec. 352. Environmental reporting requirements for Domestic Cannabis Eradication program.
 Sec. 353. Trespass marijuana location registry.
 Sec. 354. Funding for remediation of trespass marijuana sites.
 Sec. 355. Voluntary guidelines.
 Sec. 356. Research program.

Subtitle G—SECURE Water Amendments

- Sec. 361. Authorized activities; eligibility; authorization of appropriations.
 Sec. 362. Authorization of appropriations for national water availability and use assessment program.

Subtitle H—Refundable Tax Credit for Water-Harvesting Systems

- Sec. 371. Refundable tax credit for water-harvesting systems.

Subtitle I—Funding for Construction for Additional Project Benefits

- Sec. 381. Funding for construction for additional project benefits.

TITLE IV—PLANNING FOR THE FUTURE

Subtitle A—X—Prize for Desalination Breakthroughs

- Sec. 401. Short title.
 Sec. 402. Water technology award program.

Subtitle B—Drought Planning Assistance Through NRCS and Reclamation

- Sec. 411. Drought Planning Assistance through NRCS and Reclamation.

Subtitle C—Drought Preparedness for Fisheries

- Sec. 421. Drought Preparedness for Fisheries.

Subtitle D—National Emergency Planning Response

- Sec. 431. National Emergency Planning Response.

Subtitle E—Military Preparedness for Desalination

- Sec. 441. Report on desalinization technology.

1 (c) FINDINGS.—Congress finds the following:

2 (1) That, as expressed in the Water Supply Act
 3 of 1958, Congress has recognized the primary re-
 4 sponsibilities of the States and local interests in de-
 5 veloping water supplies for domestic, municipal, in-
 6 dustrial, and other purposes, and that the Federal

1 Government should participate and cooperate in
2 these projects.

3 (2) That there is a long and robust legal prece-
4 dent of Federal deference to State primacy in water
5 law and the legal system that States establish for re-
6 solving disputes over water use, with the Supreme
7 Court finding in *Kansas v. Colorado* that “Congress
8 cannot enforce either rule upon any state” in mat-
9 ters of the right regulation of water rights.

10 (3) That, as established in the Proclamation of
11 a State of Emergency issued by the Governor of the
12 State of California on January 17, 2014, California
13 is experiencing record dry conditions, all regions of
14 the State are impacted by the drought, and these ex-
15 tremely dry conditions have persisted since 2012 and
16 are likely to persist beyond this year and more regu-
17 larly into the future.

18 (4) That the State of California is not alone in
19 the prospects for long-term drought, and that the
20 entire American West and Southwest are facing
21 forecasts of prolonged droughts that will leave States
22 facing major water shortages and catastrophic
23 wildfires.

24 (5) That the prolonged period of drought in the
25 American West has also occurred with higher tem-

1 peratures throughout the State of California, reduc-
2 ing snowpack and leading to what climate scientists
3 conclude may be the most severe drought in over
4 1,200 years.

5 (6) That the Colorado River has been under
6 drought conditions since 2000, and that the chances
7 of a “megadrought” striking the Southwest and cen-
8 tral Great Plains are on the rise according to fore-
9 casts from climate scientists.

10 (7) That the United States should utilize all ex-
11 isting authorities and resources made available by
12 the Agricultural Act of 2014, that over \$500 million
13 in assistance has already been dedicated to assisting
14 agricultural users and rural communities in Cali-
15 fornia and other drought-impacted areas, and that
16 the United States Department of Agriculture should
17 continue to prioritize such assistance to bring relief
18 to drought-impacted areas.

19 (8) That this drought emergency requires an
20 immediate and credible response that respects State,
21 local, and tribal law, and that the policies that re-
22 spond to the drought should not pit State against
23 State, region against region, or stakeholders against
24 one another.

1 (9) That Federal agencies should continue to
2 operate the Bureau of Reclamation’s Central Valley
3 Project in California in compliance with all Federal
4 and State laws, including biological opinions, while
5 working with the State to maximize operational
6 flexibility in order to deliver as much water as rea-
7 sonably possible to drought-impacted areas and min-
8 imize the harm suffered by fish and wildlife as a re-
9 sult of the drought.

10 (10) That Congress recognizes the range of sep-
11 arate, distinct Federal agencies with authorities and
12 resources that play a role in water supply, including
13 treatment and remediation of groundwater, surface
14 water storage, water recycling and reuse, and other
15 clean water infrastructure, and that to avoid dupli-
16 cation and ensure the efficiency and effectiveness of
17 these various Federal roles, there is a need for im-
18 proved coordination, streamlining, and collaboration,
19 both among Federal agencies and with drought-im-
20 pacted States and localities.

21 (11) That it is the policy of the United States
22 to respect California’s coequal goals, established by
23 the Delta Reform Act of 2009, of providing a more
24 reliable water supply for California and protecting,
25 restoring, and enhancing the Delta ecosystem, and

1 that these coequal goals shall be achieved in a man-
2 ner that protects and enhances the unique cultural,
3 recreational, natural resource, and agricultural val-
4 ues of the Delta as an evolving place.

5 (12) That the State of California, in CA Water
6 Code Section 85021, has established a policy to re-
7 duce reliance on the Delta in meeting California's
8 future water supply needs through a statewide strat-
9 egy of investing in improved regional supplies, con-
10 servation, and water use efficiency, that California
11 law directs each region that depends on water from
12 the Delta watershed to improve its regional self-reli-
13 ance for water through investment in water use effi-
14 ciency, water recycling, advanced water technologies,
15 local and regional water supply projects, and im-
16 proved regional coordination of local and regional
17 water supply efforts, and that it is the intent of
18 Congress to ensure that Federal programs, policies,
19 and investments respect and compliment, and do not
20 undermine or conflict with, California's policy of re-
21 ducing reliance on Delta diversions.

22 (13) That the Reclamation Fund was estab-
23 lished in 1902 with the expressed purpose of pro-
24 viding for the construction and maintenance of
25 water infrastructure for the economic development of

1 the western States and territories, with revenues de-
2 posited into the fund out of public land sales within
3 these western States and territories.

4 (14) That since 1902, the Reclamation Fund
5 has been supplemented with additional revenues
6 from Federal water resources development and min-
7 eral and natural resource leases on Federal lands,
8 such that the surplus within the Reclamation Fund
9 now exceeds \$10 billion.

10 (15) That the Reclamation Fund represents a
11 transfer of a portion of receipts from Federal lands
12 and Federal natural resources in the West back to
13 the West for water development, and that in this
14 time of drought the Reclamation Fund's surplus
15 should be used to assist the West in meeting its
16 water needs for public health and safety, for expand-
17 ing water recycling, reuse, and reclamation, for
18 meeting the emergency needs of communities im-
19 pacted by the drought, and for developing long term
20 solutions to meet the impacts of climate change on
21 this already arid region of the country.

1 **TITLE I—EMERGENCY DROUGHT**
2 **RESPONSE APPROPRIATIONS**
3 **FROM RECLAMATION FUND**

4 **SEC. 101. APPROPRIATIONS TO BE DERIVED FROM REC-**
5 **LAMATION FUND.**

6 Amounts made available under this title shall be de-
7 rived from the reclamation fund established by section 1
8 of the Act of June 17, 1902 (42 U.S.C. 391; popularly
9 known as the “Reclamation Act”), and shall remain avail-
10 able until expended.

11 **SEC. 102. SUPPLEMENTAL APPROPRIATIONS FOR**
12 **DROUGHT RELIEF.**

13 (a) IN GENERAL.—Subject to subsection (b), the fol-
14 lowing sums are appropriated, out of any money in the
15 Treasury not otherwise appropriated, for fiscal year 2015:

16 (1) WATER AND RELATED RESOURCES.—For
17 an additional amount for “Department of the Inte-
18 rior—Bureau of Reclamation—Water and Related
19 Resources”, \$300,000,000, of which not less than
20 \$100,000,000 shall be for water reclamation and
21 reuse projects authorized under title XVI of Public
22 Law 102–575; of which not less than \$100,000,000
23 shall be for WaterSMART for assistance under the
24 Reclamation States Emergency Drought Relief Act
25 of 1991 (43 U.S.C. 2201 et seq.); and of which not

1 less than \$50,000,000 shall be for water acquisition,
2 water conveyance, and facilities construction under
3 the Refuge Water Supply Program: *Provided*, That
4 funds provided under this heading may be used for
5 recycled water projects without regard to whether
6 such projects are otherwise authorized under law:
7 *Provided further*, That sufficient funds are spent on
8 the completion of CALFED feasibility studies de-
9 scribed in section 103(d)(1)(A) of Public Law 108-
10 361 (118 Stat. 1684) that have the financing and
11 feasibility to be under construction within 10 years,
12 and that for the purposes of this Act the Federal
13 cost share of such feasibility studies shall be no less
14 than 75% and that the cost share waiver for such
15 feasibility studies shall extend to December 31,
16 2017.

17 (2) HAZARDOUS SUBSTANCE SUPERFUND.—For
18 an additional amount for “Environmental Protection
19 Agency—Hazardous Substance Superfund”,
20 \$300,000,000 for the cleanup of polluted ground-
21 water supplies.

22 (3) RURAL WATER AND WASTE DISPOSAL PRO-
23 GRAM ACCOUNT.—For an additional amount for
24 “Department of Agriculture—Rural Utilities Serv-
25 ice—Rural Water and Waste Disposal Program Ac-

1 count”, \$5,000,000 for the cost of direct and guar-
2 anteed loans and grants for the rural water, waste-
3 water, and waste disposal programs authorized by
4 sections 306 and 310B or described in section
5 381E(d)(2) of the Consolidated Farm and Rural De-
6 velopment Act.

7 (4) DRUG ENFORCEMENT ADMINISTRATION.—
8 For an additional amount for “Department of Jus-
9 tice—Drug Enforcement Administration”,
10 \$3,000,000 for the Domestic Cannabis Eradication
11 and Suppression Program to assist State or local
12 law enforcement agencies in the suppression of can-
13 nabis operations that are conducted on public lands
14 or that intentionally trespass on the property of an-
15 other that also divert, redirect, obstruct, drain, or
16 impound water supply.

17 (5) ARMY CORPS OF ENGINEERS.—For an addi-
18 tional amount for the Army Corps of Engineers,
19 \$40,000,000 to carry out section 5039 of the Water
20 Resources and Development Act of 2007 (33 U.S.C.
21 2201 et seq.).

22 (6) LAND AND WATER CONSERVATION FUND.—
23 For an additional amount for “Land and Water
24 Conservation Fund”, \$100,000,000 for the imple-
25 mentation of projects under the Land and Water

1 Conservation Fund Act of 1965 in drought-affected
2 States that reduce fire risk, improve water quality or
3 downstream water quantity, or expand ground water
4 recharge capacity.

5 (7) LOW-INCOME MIGRANT AND SEASONAL
6 FARMWORKERS.—For an additional amount for the
7 Department of Agriculture, \$25,000,000 for emer-
8 gency grants to assist low-income migrant and sea-
9 sonal farmworkers under section 2281 of the Food,
10 Agriculture, Conservation, and Trade Act of 1990
11 (42 U.S.C. 5177a) to address impacts of drought
12 upon declaration of a natural disaster under section
13 321(a) of the Consolidated Farm and Rural Devel-
14 opment Act (7 U.S.C. 1961(a)) or for the same pur-
15 poses in counties that are contiguous to a designated
16 natural disaster area.

17 (b) DROUGHT PRIORITIZATION.—Each amount ap-
18 propriated under subsection (a) shall be used in States
19 impacted by drought, with an emphasis on projects that
20 will provide additional water supplies most expeditiously
21 to areas at risk of having an inadequate supply of water
22 for public health and safety purposes or to improve resil-
23 iency to drought, or projects that provide relief to drought-
24 affected communities facing unemployment and economic
25 dislocation.

1 (c) EMERGENCY DESIGNATION.—Each amount ap-
2 propriated under subsection (a) is designated by the Con-
3 gress as being for an emergency requirement pursuant to
4 section 251(b)(2)(A)(i) of the Balanced Budget and
5 Emergency Deficit Control Act of 1985.

6 (d) GAO STUDY.—

7 (1) IN GENERAL.—The Comptroller General
8 shall conduct a comprehensive study on Federal in-
9 vestments in clean water and wastewater infrastruc-
10 ture, addressing duplicative and fragmented pro-
11 grams. The report shall include—

12 (A) a description of how Federal agencies,
13 including the Army Corps of Engineers, the En-
14 vironmental Protection Agency, the Bureau of
15 Reclamation, the Rural Utilities Service, and
16 other relevant agencies, coordinate their efforts
17 to address nationally, regionally, or locally iden-
18 tified needs or priorities in an efficient and ef-
19 fective manner; and

20 (B) an evaluation of the adequacy of Fed-
21 eral coordination in meeting the needs of tribal
22 lands.

23 (2) REPORT TO CONGRESS.— Not later than 1
24 year after the date of the enactment of this Act, the
25 Comptroller General shall submit to Congress a re-

1 port containing the results of the study required
2 under paragraph (1) and any recommendations
3 based on such study.

4 **SEC. 103. SUPPLEMENTAL APPROPRIATIONS FOR THE EN-**
5 **VIRONMENTAL PROTECTION AGENCY.**

6 The following sums are appropriated, out of any
7 money in the Treasury not otherwise appropriated, for fis-
8 cal year 2015:

9 ENVIRONMENTAL PROTECTION AGENCY

10 STATE AND TRIBAL ASSISTANCE GRANTS

11 For an additional amount for “State and Tribal As-
12 sistance Grants”, \$500,000,000, of which \$400,000,000
13 shall be for making capitalization grants for the State
14 water pollution control revolving funds under title VI of
15 the Federal Water Pollution Control Act; and of which
16 \$100,000,000 shall be for making capitalization grants for
17 the State drinking water treatment revolving loan funds
18 under section 1452 of the Safe Drinking Water Act: *Pro-*
19 *vided*, That notwithstanding the time period specified in
20 section 603(d) (1)(A) of the Federal Water Pollution Con-
21 trol Act and section 1452(f)(1)(B)(i) of the Safe Drinking
22 Water Act, loans made by such funds shall be authorized
23 for 40-year terms: *Provided further*, That notwithstanding
24 the formula or allotments set forth in section 604 of the
25 Federal Water Pollution Control Act and section

1 1452(a)(1)(D) of the Safe Drinking Water Act, loans
2 made by such funds shall be distributed based on an as-
3 sessment of the immediate need in States impacted by
4 drought, with an emphasis on projects that will provide
5 additional water supplies most expeditiously to areas that
6 are at risk of having an inadequate supply of water for
7 public health and safety purposes or to improve resiliency
8 to drought, including projects to increase efficiency and
9 conservation by end users: *Provided further*, That to the
10 maximum extent practicable, highest priority to the loans
11 made with such funds shall be given to projects that have
12 been approved by, and have previously received funding
13 from, State and local water agencies: *Provided further*,
14 That such amount is designated by the Congress as being
15 for an emergency requirement pursuant to section
16 251(b)(2)(A)(i) of the Balanced Budget and Emergency
17 Deficit Control Act of 1985.

18 **SEC. 104. SUPPLEMENTAL APPROPRIATIONS FOR THE**
19 **WATER INFRASTRUCTURE FINANCE AND IN-**
20 **NOVATION ACT PROGRAM.**

21 The following sums are appropriated, out of any
22 money in the Treasury not otherwise appropriated, for fis-
23 cal year 2015:

1 ENVIRONMENTAL PROTECTION AGENCY
2 STATE AND TRIBAL ASSISTANCE GRANTS

3 For an additional amount for “State and Tribal As-
4 sistance Grants”, \$20,000,000 to carry out the Water In-
5 frastructure Finance and Innovation Act of 2014: *Pro-*
6 *vided*, That loans made by such funds shall be distributed
7 based on an assessment of the immediate need in States
8 impacted by drought, with an emphasis on projects that
9 will provide additional water supplies most expeditiously
10 to areas that are at risk of having an inadequate supply
11 of water for public health and safety purposes or to im-
12 prove resiliency to drought, including projects to increase
13 efficiency and conservation by end users: *Provided further*,
14 That the limitations imposed by sections 5028(a)(5) and
15 5029(b)(2)(A) of the Water Resources Reform and Devel-
16 opment Act of 2014 shall not apply with respect to a
17 project receiving such funds in any State with a drought
18 declaration: *Provided further*, That notwithstanding sec-
19 tion 5029(b)(4) of the Water Resources Reform and De-
20 velopment Act of 2014, the interest rate for a secured loan
21 under this section shall be not more than the yield on
22 United States Treasury securities of a similar maturity
23 to the maturity of the secured loan on the date of execu-
24 tion of the loan agreement: *Provided further*, That not-
25 withstanding section 5028(a)(2)(A) of the Water Re-

1 sources Reform and Development Act of 2014, the eligible
2 project costs of a project shall be reasonably anticipated
3 to be not less than \$10,000,000: *Provided further*, That
4 such amount is designated by the Congress as being for
5 an emergency requirement pursuant to section
6 251(b)(2)(A)(i) of the Balanced Budget and Emergency
7 Deficit Control Act of 1985.

8 **TITLE II—NEW WATER INFRA-**
9 **STRUCTURE PROGRAM AU-**
10 **THORIZATIONS**

11 **Subtitle A—New Water Recycling**
12 **and Reclamation Program**
13 **Through EPA**

14 **SEC. 201. SHORT TITLE; FINDINGS; PURPOSES.**

15 (a) **SHORT TITLE.**—This subtitle may be cited as the
16 “National Water Recycling and Reclamation Act of
17 2015”.

18 (b) **FINDINGS.**—Congress finds that—

19 (1) water supply, wastewater, sanitation, and
20 sewage agencies across the Nation are developing
21 and investing in water reuse and recycling projects;

22 (2) almost 900,000 acre-feet of annual water
23 supply are in development through these projects
24 and could be expeditiously constructed with in-
25 creased Federal investment; and

1 (3) in California alone, there are water reuse
2 and recycling projects that could add over 500,000
3 acre-feet of annual water supply.

4 (c) PURPOSES.—It is the purpose of this subtitle to
5 expand investments in water reuse and recycling projects
6 nationwide.

7 **SEC. 202. NATIONAL WATER RECYCLING AND RECLAMA-**
8 **TION PROGRAM.**

9 (a) ESTABLISHMENT.—The Administrator of the En-
10 vironmental Protection Agency shall establish and carry
11 out a National Water Recycling and Reclamation Program
12 to provide grants to eligible entities for water recycling
13 and reclamation projects.

14 (b) DEFINITIONS.—In this section, the following defi-
15 nitions apply:

16 (1) ELIGIBLE COSTS.—The term “eligible
17 costs” means amounts substantially all of which are
18 paid by, or for the account of, an eligible entity in
19 connection with a project, including the cost of—

20 (A) development phase activities, including
21 planning, feasibility analysis, revenue fore-
22 casting, environmental review, permitting, pre-
23 liminary engineering and design work, and
24 other preconstruction activities;

1 (B) construction, reconstruction, rehabili-
2 tation, replacement, and acquisition of real
3 property (including land related to the project
4 and improvements to land), environment miti-
5 gation, construction contingencies, and acquisi-
6 tion of equipment;

7 (C) capitalized interest necessary to meet
8 market requirements, reasonably required re-
9 serve funds, capital issuance expenses, and
10 other carrying costs during construction; and

11 (D) reimbursement for costs described in
12 subparagraphs (A) through (C) incurred prior
13 to the date of enactment of this Act.

14 (2) ELIGIBLE ENTITY.—The term “eligible enti-
15 ty” means a corporation, partnership, joint venture,
16 trust, public or investor-owned utility, private entity,
17 government entity, agency, or instrumentality, tribal
18 government, or any other reclamation and reuse en-
19 tity, as determined by the Administrator.

20 (3) PROGRAM.—The term “program” means
21 the National Water Recycling and Reclamation Pro-
22 gram established under this section.

23 (c) ELIGIBILITY.—

24 (1) PROJECT COSTS.—To be eligible for assist-
25 ance under the program, a water recycling and rec-

1 lamation project shall have total eligible costs that
2 are reasonably anticipated to exceed \$1,000,000.

3 (2) PROJECT SPONSOR.—To be eligible for as-
4 sistance under the program, a water recycling and
5 reclamation project shall have a project sponsor
6 that—

7 (A) is an eligible entity;

8 (B) submits to the Administrator an appli-
9 cation for the project; and

10 (C) demonstrates a source for non-Federal
11 revenues that is sufficient to satisfy the non-
12 Federal share of the cost of the project.

13 (d) COMPETITIVE GRANT SELECTION.—

14 (1) IN GENERAL.—The Administrator shall—

15 (A) establish criteria for selecting among
16 projects that meet the eligibility criteria speci-
17 fied in subsection (c);

18 (B) conduct a national solicitation for ap-
19 plications; and

20 (C) award grants on a competitive basis.

21 (2) SELECTION CRITERIA.—The selection cri-
22 teria shall include the following:

23 (A) The extent to which the project ad-
24 dresses near- and long-term water demand and
25 supply, protects the environment, or otherwise

1 enhances the overall water reclamation and
2 reuse system.

3 (B) The extent to which the project en-
4 hances the return on the Federal investment
5 through the production of new, highly renew-
6 able water supplies.

7 (C) The likelihood that financial assistance
8 under the program will enable the project to
9 proceed at an earlier date than the project
10 would otherwise be able to proceed.

11 (D) The extent to which the project uses
12 measures that enhance the efficiency of the
13 project.

14 (3) DEADLINES.—The Administrator shall—

15 (A) publish the selection criteria under
16 paragraph (1) in the Federal Register not later
17 than 90 days after the date of enactment of
18 this Act;

19 (B) require that applications seeking finan-
20 cial assistance under the program be submitted
21 not later than 180 days after the date of publi-
22 cation of the selection criteria under subpara-
23 graph (A); and

1 (C) provide notice of approved project ap-
2 plications under the program not later than 1
3 year after the date of enactment of this Act.

4 (e) FEDERAL SHARE.—The Federal share of the cost
5 of a project receiving financial assistance under the pro-
6 gram may not exceed 80 percent.

7 (f) AUTHORIZATION OF APPROPRIATIONS.—

8 (1) IN GENERAL.—There is authorized to be
9 appropriated to carry out this section \$500,000,000
10 for each of fiscal years 2016 through 2020. Such
11 sums shall remain available until expended.

12 (2) ADMINISTRATIVE EXPENSES.—From funds
13 made available to carry out this section for a fiscal
14 year, the Administrator may use not to exceed 2
15 percent of the funds for the costs of administering
16 this section.

17 (g) REPORTS TO CONGRESS.—Not later than October
18 1, 2016, and every 2 years thereafter, the Administrator
19 shall submit to Congress a report summarizing the finan-
20 cial performance of projects that are receiving, or have re-
21 ceived, assistance under the program.

22 (h) REGULATIONS.—The Administrator may issue
23 such regulations as the Administrator determines appro-
24 priate to carry out this section.

1 (i) FAILURE TO MEET DEADLINE.—If the Adminis-
2 trator does not meet a deadline under subsection (d)(3),
3 the Administrator shall transfer all funds made available
4 for the program so as to make such funds available for
5 the purpose of making capitalization grants for water re-
6 cycling and reclamation projects under the State water
7 pollution revolving loan fund program under title VI of
8 the Federal Water Pollution Control Act (33 U.S.C. 1381
9 et seq.) and the State drinking water treatment revolving
10 loan fund program under section 1452 of the Safe Drink-
11 ing Water Act (42 U.S.C. 300j–12).

12 **Subtitle B—Reclamation Infra-**
13 **structure Finance and Innova-**
14 **tion Act (RIFIA)**

15 **SEC. 210. SHORT TITLE; PURPOSES; DEFINITIONS.**

16 (a) SHORT TITLE.—This subtitle may be cited as the
17 “Reclamation Infrastructure Finance and Innovation Act”
18 or “RIFIA”.

19 (b) PURPOSES.—The purposes of this subtitle are—

20 (1) to promote increased development of critical
21 water resources infrastructure by establishing addi-
22 tional opportunities for financing water resources
23 projects;

24 (2) to attract new investment capital to infra-
25 structure projects that are capable of generating rev-

1 enue streams through user fees or other dedicated
2 funding sources;

3 (3) to complement existing Federal funding
4 sources and address budgetary constraints on Bu-
5 reau of Reclamation programs; and

6 (4) to leverage private investment in water re-
7 sources infrastructure, with the goal of every \$100
8 million in secured loans being leveraged for \$1 bil-
9 lion in water in water infrastructure financing.

10 (c) DEFINITIONS.—In this subtitle:

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

13 (A) a corporation;

14 (B) a partnership;

15 (C) a joint venture;

16 (D) a trust;

17 (E) a State or local governmental entity,
18 agency, or instrumentality; and

19 (F) a conservancy district, irrigation dis-
20 trict, canal company, mutual water company,
21 water users’ association, Indian tribe, agency
22 created by interstate compact, or any other en-
23 tity that has the capacity to contract with the
24 United States under Federal reclamation law.

1 (2) FEDERAL CREDIT INSTRUMENT.—The term
2 “Federal credit instrument” means a secured loan,
3 loan guarantee, or other credit enhancement author-
4 ized to be made available under this subtitle with re-
5 spect to a project.

6 (3) INVESTMENT-GRADE RATING.—The term
7 “investment-grade rating” means a rating of BBB
8 minus, Baa3, bbb minus, BBB (low), or higher as
9 assigned by a rating agency to project obligations.

10 (4) LENDER.—

11 (A) IN GENERAL.—The term “lender”
12 means any non-Federal qualified institutional
13 buyer (as defined in section 230.144A(a) of
14 title 17, Code of Federal Regulations (or a suc-
15 cessor regulation) (commonly known as “Rule
16 144A(a) of the Securities and Exchange Com-
17 mission” and issued under the Securities Act of
18 1933 (15 U.S.C. 77a et seq.))).

19 (B) INCLUSIONS.—The term “lender” in-
20 cludes—

21 (i) a qualified retirement plan (as de-
22 fined in section 4974 of the Internal Rev-
23 enue Code of 1986) that is a qualified in-
24 stitutional buyer; and

1 (ii) a governmental plan (as defined in
2 section 414 of the Internal Revenue Code
3 of 1986) that is a qualified institutional
4 buyer.

5 (5) LOAN GUARANTEE.—The term “loan guar-
6 antee” means any guarantee or other pledge by the
7 Secretary to pay all or part of the principal of, and
8 interest on, a loan or other debt obligation issued by
9 an obligor and funded by a lender.

10 (6) OBLIGOR.—The term “obligor” means an
11 eligible entity that is primarily liable for payment of
12 the principal of, or interest on, a Federal credit in-
13 strument.

14 (7) PROJECT OBLIGATION.—

15 (A) IN GENERAL.—The term “project obli-
16 gation” means any note, bond, debenture, or
17 other debt obligation issued by an obligor in
18 connection with the financing of a project.

19 (B) EXCLUSION.—The term “project obli-
20 gation” does not include a Federal credit in-
21 strument.

22 (8) RATING AGENCY.—The term “rating agen-
23 cy” means a credit rating agency registered with the
24 Securities and Exchange Commission as a nationally
25 recognized statistical rating organization (as defined

1 in section 3(a) of the Securities Exchange Act of
2 1934 (15 U.S.C. 78c(a)).

3 (9) RECLAMATION STATE.—The term “Rec-
4 lamation State” means any of the States of—

5 (A) Arizona;

6 (B) California;

7 (C) Colorado;

8 (D) Idaho;

9 (E) Kansas;

10 (F) Montana;

11 (G) Nebraska;

12 (H) Nevada;

13 (I) New Mexico;

14 (J) North Dakota;

15 (K) Oklahoma;

16 (L) Oregon;

17 (M) South Dakota;

18 (N) Texas;

19 (O) Utah;

20 (P) Washington; and

21 (Q) Wyoming.

22 (10) SECRETARY.—The term “Secretary”
23 means the Secretary of the Interior.

24 (11) SECURED LOAN.—The term “secured
25 loan” means a direct loan or other debt obligation

1 issued by an obligor and funded by the Secretary in
2 connection with the financing of a project under
3 chapter 1.

4 (12) **SUBSIDY AMOUNT.**—The term “subsidy
5 amount” means the amount of budget authority suf-
6 ficient to cover the estimated long-term cost to the
7 Federal Government of a Federal credit instrument,
8 as calculated on a net present value basis, excluding
9 administrative costs and any incidental effects on
10 Governmental receipts or outlays in accordance with
11 the Federal Credit Reform Act of 1990 (2 U.S.C.
12 661 et seq.).

13 (13) **SUBSTANTIAL COMPLETION.**—The term
14 “substantial completion”, with respect to a project,
15 means the earliest date on which a project is consid-
16 ered to perform the functions for which the project
17 is designed.

18 **CHAPTER 1—INNOVATIVE FINANCING**

19 **SEC. 211. PURPOSES.**

20 The purposes of this chapter are—

21 (1) to promote increased development of critical
22 water resources infrastructure by establishing addi-
23 tional opportunities for financing water resources
24 projects;

1 (2) to attract new investment capital to infra-
2 structure projects that are capable of generating rev-
3 enue streams through user fees or other dedicated
4 funding sources;

5 (3) to complement existing Federal funding
6 sources and address budgetary constraints on Bu-
7 reau of Reclamation programs; and

8 (4) to leverage private investment in water re-
9 sources infrastructure.

10 **SEC. 212. AUTHORITY TO PROVIDE ASSISTANCE.**

11 (a) IN GENERAL.—The Secretary may provide finan-
12 cial assistance to an eligible entity under this chapter to
13 carry out projects within—

14 (1) any Reclamation State;

15 (2) any other State in which the Bureau of
16 Reclamation is authorized to provide project assist-
17 ance; and

18 (3) the States of Alaska and Hawaii.

19 (b) SELECTION.—In selecting projects to receive fi-
20 nancial assistance under subsection (a), the Secretary
21 shall ensure diversity with respect to—

22 (1) project types; and

23 (2) geographical locations.

1 **SEC. 213. APPLICATIONS.**

2 To be eligible to receive assistance under this chapter,
3 an eligible entity shall submit to the Secretary an applica-
4 tion at such time, in such manner, and containing such
5 information as the Secretary may require.

6 **SEC. 214. ELIGIBILITY FOR ASSISTANCE.**

7 (a) **ELIGIBLE PROJECTS.**—The following projects
8 may be carried out using assistance made available under
9 this chapter:

10 (1) A project for the reclamation and reuse of
11 municipal, industrial, domestic, and agricultural
12 wastewater, and naturally impaired ground, which
13 the Secretary, acting through the Commissioner of
14 Reclamation, is authorized to undertake.

15 (2) Any water infrastructure project not specifi-
16 cally authorized by law that—

17 (A) the Secretary determines, through the
18 completion of an appraisal investigation and
19 feasibility study, would contribute to a safe,
20 adequate water supply for domestic, agricul-
21 tural, environmental, or municipal and indus-
22 trial use; and

23 (B) is otherwise eligible for assistance
24 under this chapter.

1 (3) A new water infrastructure facility project,
2 including a water conduit, pipeline, canal, pumping,
3 power, and associated facilities.

4 (4) A project for enhanced energy efficiency in
5 the operation of a water system.

6 (5) A project for accelerated repair and replace-
7 ment of an aging water distribution facility.

8 (6) A brackish or sea water desalination
9 project.

10 (7) Acquisition of real property or an interest
11 in real property for water storage, reclaimed or recy-
12 cled water, or wastewater, if the acquisition is inte-
13 gral to a project described in paragraphs (1)
14 through (6).

15 (8) A combination of projects, each of which is
16 eligible under paragraphs (1) through (7), for which
17 an eligible entity submits a single application.

18 (b) ACTIVITIES ELIGIBLE FOR ASSISTANCE.—For
19 purposes of this chapter, an eligible activity with respect
20 to an eligible project under subsection (a) includes the cost
21 of—

22 (1) development-phase activities, including plan-
23 ning, feasibility analysis, revenue forecasting, envi-
24 ronmental review, permitting, transaction costs, pre-

1 liminary engineering and design work, and other
2 preconstruction activities;

3 (2) construction, reconstruction, rehabilitation,
4 and replacement activities;

5 (3) the acquisition of real property (including
6 water rights, land relating to the project, and im-
7 provements to land), environmental mitigation, con-
8 struction contingencies, and acquisition of equip-
9 ment;

10 (4) capitalized interest necessary to meet mar-
11 ket requirements, reasonably required reserve funds,
12 capital issuance expenses, and other carrying costs
13 during construction;

14 (5) refinancing interim construction funding,
15 long-term project obligations, or a secured loan, loan
16 guarantee, or other credit enhancement made under
17 this chapter;

18 (6) reimbursement or success payments to any
19 public or private entity that achieves predetermined
20 outcomes on a pay-for-performance or pay-for-suc-
21 cess basis; and

22 (7) grants, loans, or credit enhancement for
23 community development financial institutions, green
24 banks, and other financial intermediaries providing

1 ongoing finance for projects that meet the purposes
2 of this chapter.

3 **SEC. 215. DETERMINATION OF ELIGIBILITY AND PROJECT**
4 **SELECTION.**

5 (a) **ELIGIBILITY REQUIREMENTS.**—To be eligible to
6 receive financial assistance under this chapter, a project
7 shall meet the following criteria, as determined by the Sec-
8 retary:

9 (1) **CREDITWORTHINESS.**—

10 (A) **IN GENERAL.**—Subject to subpara-
11 graph (B), the project shall be creditworthy, as
12 determined by the Secretary, who shall ensure
13 that any financing for the project has appro-
14 priate security features, such as a rate cov-
15 enant, to ensure repayment.

16 (B) **PRELIMINARY RATING OPINION LET-**
17 **TER.**—The Secretary shall require each appli-
18 cant to provide a preliminary rating opinion let-
19 ter from at least 1 rating agency indicating that
20 the senior obligations of the project (which may
21 be the Federal credit instrument) have the po-
22 tential to achieve an investment-grade rating.

23 (2) **ELIGIBLE PROJECT COSTS.**—The eligible
24 project costs of a project and other projects in a wa-

1 tered shall be reasonably anticipated to be not less
2 than \$10,000,000.

3 (3) DEDICATED REVENUE SOURCES.—The Fed-
4 eral credit instrument for the project shall be repay-
5 able from dedicated revenue sources that also secure
6 the project obligations.

7 (4) PUBLIC SPONSORSHIP OF PRIVATE ENTI-
8 TIES.—In the case of a project carried out by an en-
9 tity that is not a State or local government or an
10 agency or instrumentality of a State or local govern-
11 ment, the project shall be publicly sponsored.

12 (b) SELECTION CRITERIA.—

13 (1) ESTABLISHMENT.—The Secretary shall es-
14 tablish criteria for the selection of projects that meet
15 the eligibility requirements of subsection (a), in ac-
16 cordance with paragraph (2).

17 (2) CRITERIA.—The selection criteria shall in-
18 clude the following:

19 (A) The extent to which the project is na-
20 tionally or regionally significant.

21 (B) The extent to which assistance under
22 this section would foster innovative public-pri-
23 vate partnerships and attract private debt or
24 equity investment.

1 (C) The likelihood that assistance under
2 this section would enable the project to proceed
3 at an earlier date than the project would other-
4 wise be able to proceed.

5 (D) The extent to which the project uses
6 new or innovative approaches.

7 (E) The extent to which projects track evi-
8 dence about the effectiveness of the 1 or more
9 projects financed and the availability of the evi-
10 dence and project information to the public to
11 facilitate replication.

12 (F) The amount of budget authority re-
13 quired to fund the Federal credit instrument
14 made available under this chapter.

15 (G) The extent to which the project helps
16 maintain or protect the environment.

17 (H) The extent to which the project sup-
18 ports the local economy and provides local jobs.

19 (3) PRIORITY.—The Secretary shall prioritize
20 projects that promote wastewater recycling, agricul-
21 tural or urban water conservation and efficiency,
22 stormwater capture, or other innovative projects that
23 reduce reliance on surface and groundwater supplies.

24 (c) RECEIPT OF OTHER FEDERAL FUNDING.—Re-
25 ceipt of a Federal grant or contract or other Federal fund-

1 ing to support an eligible project shall not preclude the
2 project from being eligible for assistance under this chap-
3 ter.

4 (d) FEDERAL REQUIREMENTS.—Nothing in this sec-
5 tion supersedes the applicability of other requirements of
6 Federal law (including regulations).

7 **SEC. 216. SECURED LOANS.**

8 (a) AGREEMENTS.—

9 (1) IN GENERAL.—Subject to paragraphs (2)
10 through (4), the Secretary may enter into agree-
11 ments with 1 or more obligors to make secured
12 loans, the proceeds of which shall be used—

13 (A) to finance eligible project costs of any
14 project selected under section 215;

15 (B) to refinance interim construction fi-
16 nancing of eligible project costs of any project
17 selected under section 215; or

18 (C) to refinance long-term project obliga-
19 tions or Federal credit instruments, if that refi-
20 nancing provides additional funding capacity for
21 the completion, enhancement, or expansion of
22 any project that—

23 (i) is selected under section 215; or

24 (ii) otherwise meets the requirements
25 of section 215.

1 (2) LIMITATION ON REFINANCING OF INTERIM
2 CONSTRUCTION FINANCING.—A secured loan under
3 paragraph (1) shall not be used to refinance interim
4 construction financing under paragraph (1)(B) later
5 than 1 year after the date of substantial completion
6 of the applicable project.

7 (3) RISK ASSESSMENT.—Before entering into
8 an agreement under this subsection for a secured
9 loan, the Secretary, in consultation with the Director
10 of the Office of Management and Budget and each
11 rating agency providing a preliminary rating opinion
12 letter under section 215(a)(1)(B), shall determine an
13 appropriate capital reserve subsidy amount for the
14 secured loan, taking into account each such prelimi-
15 nary rating opinion letter.

16 (4) INVESTMENT-GRADE RATING REQUIRE-
17 MENT.—The execution of a secured loan under this
18 section shall be contingent on receipt by the senior
19 obligations of the project of an investment-grade rat-
20 ing.

21 (b) TERMS AND LIMITATIONS.—

22 (1) IN GENERAL.—A secured loan provided for
23 a project under this section shall be subject to such
24 terms and conditions, and contain such covenants,
25 representations, warranties, and requirements (in-

1 including requirements for audits), as the Secretary
2 determines to be appropriate.

3 (2) MAXIMUM AMOUNT.—The amount of a se-
4 cured loan under this section shall not exceed the
5 lesser of—

6 (A) an amount equal to 100 percent of the
7 reasonably anticipated eligible project costs; and

8 (B) if the secured loan does not receive an
9 investment-grade rating, the amount of the sen-
10 ior project obligations of the project.

11 (3) PAYMENT.—A secured loan under this sec-
12 tion—

13 (A) shall be payable, in whole or in part,
14 from State or local taxes, user fees, or other
15 dedicated revenue sources that also secure the
16 senior project obligations of the relevant
17 project;

18 (B) shall include a rate covenant, coverage
19 requirement, or similar security feature sup-
20 porting the project obligations; and

21 (C) may have a lien on revenues described
22 in subparagraph (A), subject to any lien secur-
23 ing project obligations.

24 (4) INTEREST RATE.—The interest rate on a
25 secured loan under this section shall be not more

1 than the yield on United States Treasury securities
2 of a similar maturity to the maturity of the secured
3 loan on the date of execution of the loan agreement,
4 as determined by the Secretary.

5 (5) MATURITY DATE.—The final maturity date
6 of a secured loan under this section shall be not
7 later than 35 years after the expected date of sub-
8 stantial completion of the relevant project.

9 (6) NONSUBORDINATION.—A secured loan
10 under this section shall not be subordinated to the
11 claims of any holder of project obligations in the
12 event of bankruptcy, insolvency, or liquidation of the
13 obligor of the project.

14 (7) FEES.—The Secretary may establish fees
15 under section 217(b) at a level sufficient to cover all
16 or a portion of the costs to the Federal Government
17 of making a secured loan under this section.

18 (8) NON-FEDERAL SHARE.—The proceeds of a
19 secured loan under this section may be used to pay
20 any non-Federal share of project costs required if
21 the loan is repayable from non-Federal funds.

22 (c) REPAYMENT.—

23 (1) SCHEDULE.—The Secretary shall establish
24 a repayment schedule for each secured loan provided

1 under this section, based on the projected cash flow
2 from project revenues and other repayment sources.

3 (2) COMMENCEMENT.—Scheduled loan repay-
4 ment of principal or interest on a secured loan under
5 this section shall commence not later than 5 years
6 after the date of substantial completion of the
7 project.

8 (3) DEFERRED PAYMENTS.—

9 (A) AUTHORIZATION.—If, at any time
10 after the date of substantial completion of a
11 project for which a secured loan is provided
12 under this section, the project is unable to gen-
13 erate sufficient revenues to pay the scheduled
14 loan repayments of principal and interest on the
15 secured loan, the Secretary may allow the obli-
16 gor, subject to subparagraph (C), to add unpaid
17 principal and interest to the outstanding bal-
18 ance of the secured loan.

19 (B) INTEREST.—Any payment deferred
20 under subparagraph (A) shall—

21 (i) continue to accrue interest in ac-
22 cordance with subsection (b)(4) until fully
23 repaid; and

24 (ii) be scheduled to be amortized over
25 the remaining term of the secured loan.

1 (C) CRITERIA.—

2 (i) IN GENERAL.—Any payment defer-
3 ral under subparagraph (A) shall be con-
4 tingent on the project meeting such cri-
5 teria as the Secretary may establish.

6 (ii) REPAYMENT STANDARDS.—The
7 criteria established under clause (i) shall
8 include standards for reasonable assurance
9 of repayment.

10 (4) PREPAYMENT.—

11 (A) USE OF EXCESS REVENUES.—Any ex-
12 cess revenues that remain after satisfying
13 scheduled debt service requirements on the
14 project obligations and secured loan and all de-
15 posit requirements under the terms of any trust
16 agreement, bond resolution, or similar agree-
17 ment securing project obligations may be ap-
18 plied annually to prepay a secured loan under
19 this section without penalty.

20 (B) USE OF PROCEEDS OF REFI-
21 NANCING.—A secured loan under this section
22 may be prepaid at any time without penalty
23 from the proceeds of refinancing from non-Fed-
24 eral funding sources.

25 (d) SALE OF SECURED LOANS.—

1 (1) IN GENERAL.—Subject to paragraph (2), as
2 soon as practicable after the date of substantial
3 completion of a project and after providing a notice
4 to the obligor, the Secretary may sell to another en-
5 tity or reoffer into the capital markets a secured
6 loan for a project under this section, if the Secretary
7 determines that the sale or reoffering can be made
8 on favorable terms.

9 (2) CONSENT OF OBLIGOR.—In making a sale
10 or reoffering under paragraph (1), the Secretary
11 may not change the original terms and conditions of
12 the secured loan without the written consent of the
13 obligor.

14 (e) LOAN GUARANTEES.—

15 (1) IN GENERAL.—The Secretary may provide a
16 loan guarantee to a lender in lieu of making a se-
17 cured loan under this section, if the Secretary deter-
18 mines that the budgetary cost of the loan guarantee
19 is substantially the same as that of a secured loan.

20 (2) TERMS.—The terms of a loan guarantee
21 provided under this subsection shall be consistent
22 with the terms established in this section for a se-
23 cured loan, except that the rate on the guaranteed
24 loan and any prepayment features shall be nego-

1 tiated between the obligor and the lender, with the
2 consent of the Secretary.

3 **SEC. 217. PROGRAM ADMINISTRATION.**

4 (a) **REQUIREMENT.**—The Secretary shall establish a
5 uniform system to service the Federal credit instruments
6 made available under this chapter.

7 (b) **CAPITAL RESERVE FUND.**—

8 (1) **IN GENERAL.**—There is hereby established
9 in the Treasury of the United States the Reclama-
10 tion Loan Finance Capital Reserve Fund, which
11 shall be available for deposit of capital reserve fees
12 provided for under this subsection. Amounts depos-
13 ited shall be credited as offsetting collections.

14 (2) **CAPITAL RESERVE FEES.**—To the extent re-
15 quired by appropriations Acts, the Secretary may as-
16 sess, collect, and spend capital reserve fees at a level
17 that is sufficient to cover—

18 (A) the costs of services of expert firms re-
19 tained pursuant to subsection (d); and

20 (B) all or a portion of the costs to the
21 Federal Government of servicing the Federal
22 credit instruments provided under this chapter,
23 including all or a portion of the outlays associ-
24 ated with the provision of the Federal credit in-
25 struments under this chapter.

1 (3) DETERMINATION OF FEE AMOUNTS.—The
2 capital reserve fees shall be established at amounts
3 that will result in the collection, during each fiscal
4 year, of an amount that can be reasonably expected
5 to equal the outlays associated with the provision of
6 the Federal credit instruments under this chapter.

7 (c) SERVICER.—

8 (1) IN GENERAL.—The Secretary may appoint
9 a financial entity to assist the Secretary in servicing
10 the Federal credit instruments provided under this
11 chapter.

12 (2) DUTIES.—A servicer appointed under para-
13 graph (1) shall act as the agent for the Secretary.

14 (3) FEE.—A servicer appointed under para-
15 graph (1) shall receive a servicing fee, subject to ap-
16 proval by the Secretary.

17 (d) ASSISTANCE FROM EXPERTS.—The Secretary
18 may retain the services, including counsel, of any organi-
19 zation or entity with expertise in the field of municipal
20 and project finance to assist in the underwriting and serv-
21 icing of Federal credit instruments provided under this
22 chapter.

23 (e) LOAN COORDINATION; INTERAGENCY COOPERA-
24 TION.—The Secretary—

1 (1) shall coordinate implementation of loan
2 guarantees under this section with the Administrator
3 to avoid duplication and enhance the effectiveness of
4 implementation of the State revolving funds estab-
5 lished under the Federal Water Pollution Control
6 Act (33 U.S.C. 1251 et seq.) and the Safe Drinking
7 Water Act (42 U.S.C. 300f et seq.);

8 (2) shall consult with the Secretary of Agri-
9 culture before promulgating criteria with respect to
10 financial appraisal functions and loan guarantee ad-
11 ministration for activities carried out under this
12 chapter; and

13 (3) may enter into a memorandum of agree-
14 ment providing for Department of Agriculture finan-
15 cial appraisal functions and loan guarantee adminis-
16 tration for activities carried out under this chapter.

17 **SEC. 218. STATE AND LOCAL PERMITS.**

18 The provision of financial assistance for a project
19 under this chapter shall not—

20 (1) relieve any recipient of the assistance of any
21 obligation to obtain any required State or local per-
22 mit or approval with respect to the project;

23 (2) limit the right of any unit of State or local
24 government to approve or regulate any rate of re-
25 turn on private equity invested in the project; or

1 (3) otherwise supersede any State or local law
2 (including any regulation) applicable to the construc-
3 tion or operation of the project.

4 **SEC. 219. REGULATIONS.**

5 The Secretary may promulgate such regulations as
6 the Secretary determines to be appropriate to carry out
7 this chapter.

8 **SEC. 220. FUNDING.**

9 (a) IN GENERAL.—There is authorized to be appro-
10 priated to the Secretary to carry out this chapter
11 \$100,000,000 for each of fiscal years 2015 through 2019,
12 to remain available until expended.

13 (b) ADMINISTRATIVE COSTS.—Of the funds made
14 available to carry out this chapter, the Secretary may use
15 for the administration of this chapter not more than
16 \$2,200,000 for each of fiscal years 2015 through 2019.

17 **SEC. 221. REPORT TO CONGRESS.**

18 Not later than 2 years after the date of enactment
19 of this Act, and every 2 years thereafter, the Secretary
20 shall submit to the Committee on Energy and Natural Re-
21 sources of the Senate and the Committee on Natural Re-
22 sources of the House of Representatives a report summa-
23 rizing the financial performance and on-the-ground out-
24 comes of the projects that are receiving, or have received,

1 assistance under this chapter, including an assessment of
2 whether the objectives of this chapter are being met.

3 **CHAPTER 2—INTEGRATED REGIONAL**
4 **WATER MANAGEMENT, RECLAMATION,**
5 **AND RECYCLING PROJECTS**

6 **SEC. 231. WATER STORAGE PROJECTS.**

7 (a) AGREEMENTS.—The Secretary may enter into a
8 cost-shared financial assistance agreement with any non-
9 Federal entity in a Reclamation State or the State of Ha-
10 waii to carry out the planning, design, and construction
11 of any permanent water storage and conveyance facility
12 used solely to regulate and maximize the water supply
13 arising from a project that is eligible for assistance under
14 this chapter or any other provision of law, including recy-
15 cled water projects not congressionally authorized—

16 (1) to recycle wastewater or ground water; or

17 (2) to use integrated and coordinated water
18 management on a watershed or regional scale.

19 (b) FINANCIAL ASSISTANCE.—In providing financial
20 assistance under this section, the Secretary shall give pri-
21 ority to storage and conveyance components that—

22 (1) ensure the efficient and beneficial use of
23 water or reuse of the recycled water;

24 (2) make maximum use of natural systems;

1 (3) consistent with Secretarial Order No. 3297,
2 dated February 22, 2010, support sustainable water
3 management practices and the water sustainability
4 objectives of 1 or more offices of the Department of
5 the Interior or any other Federal agency;

6 (4)(A) increase the availability of usable water
7 supplies in a watershed or region to benefit people,
8 the economy, and the environment; and

9 (B) include adaptive measures needed to ad-
10 dress climate change and future demands;

11 (5) where practicable—

12 (A) provide flood control or recreation ben-
13 efits; and

14 (B) include the development of incremental
15 hydroelectric power generation;

16 (6) include partnerships that go beyond political
17 and institutional jurisdictions to support the effi-
18 cient use of the limited water resources of the
19 United States and the applicable region;

20 (7) generate environmental benefits, such as
21 benefits to fisheries, wildlife and habitat, and water
22 quality and water-dependent ecological systems, as
23 well as water supply benefits to agricultural and
24 urban water users; and

1 (8) the financing of which leverages private and
2 other non-Federal resources.

3 (c) FEDERAL SHARE.—The Federal share of the cost
4 of a project carried out under subsection (a) shall be—

5 (1) equal to the lesser of—

6 (A) 50 percent of total cost of the project;

7 and

8 (B) \$15,000,000, adjusted for inflation;

9 and

10 (2) nonreimbursable.

11 (d) NON-FEDERAL SHARE.—The non-Federal share
12 of the cost of a project carried out under subsection (a)
13 may include in-kind contributions to the planning, design,
14 and construction of a project.

15 (e) TITLE AND COSTS.—A non-Federal entity enter-
16 ing into a financial assistance agreement under this sec-
17 tion shall—

18 (1) hold title to all facilities constructed under
19 this section; and

20 (2) be solely responsible for the costs of oper-
21 ating and maintaining those facilities.

22 (f) APPROVAL.—The Secretary may enter into a fi-
23 nancial assistance agreement under this section, if—

1 (1) the Secretary notifies Congress of the pro-
2 posed agreement at least 90 days before the date on
3 which the Secretary enters into the agreement; and

4 (2) Congress does not pass a joint resolution
5 disapproving the agreement before such date.

6 **SEC. 232. AUTHORIZATION OF APPROPRIATIONS.**

7 There is authorized to be appropriated \$700,000,000
8 to carry out this chapter.

9 **CHAPTER 3—RECLAMATION TITLE**
10 **TRANSFER PROGRAM**

11 **SEC. 241. SHORT TITLE; DEFINITIONS.**

12 (a) **SHORT TITLE.**—This chapter may be cited as the
13 “Reclamation Title Transfer Act of 2015”.

14 (b) **DEFINITIONS.**—In this chapter:

15 (1) **CONVEYED PROPERTY.**—The term “con-
16 veyed property” means an eligible facility that has
17 been conveyed to a qualifying entity under section
18 242(b)(1).

19 (2) **ELIGIBLE FACILITY.**—

20 (A) **IN GENERAL.**—The term “eligible fa-
21 cility” means a reclamation project or facility,
22 or a portion of a reclamation project or facility,
23 for which the United States holds title and that
24 meets the criteria for potential transfer estab-
25 lished under section 244(a).

1 (B) INCLUSIONS.—The term “eligible facil-
2 ity” includes dams and appurtenant works, in-
3 frastructure, recreational facilities, buildings,
4 distribution and drainage works, and associated
5 land or interests in land or water.

6 (3) QUALIFYING ENTITY.—The term “quali-
7 fying entity” means a State, unit of local govern-
8 ment, Indian tribe, municipal corporation, quasi-mu-
9 nicipal corporation, or other entity (such as a water
10 district) that, as determined by the Secretary, has
11 the capacity to continue to manage the conveyed
12 property for the same purposes that the conveyed
13 property has been managed for under the reclama-
14 tion laws.

15 (4) SECRETARY.—The term “Secretary” means
16 the Secretary of the Interior, acting through the
17 Commissioner of the Bureau of Reclamation.

18 **SEC. 242. AUTHORIZATION OF TITLE TRANSFER PROGRAM.**

19 (a) ESTABLISHMENT OF TITLE TRANSFER PRO-
20 GRAM.—The Secretary may establish a program that—

21 (1) identifies and analyzes the potential for
22 public benefits from the transfer out of Federal own-
23 ership of eligible facilities, including analyses of the
24 financial, operational, and environmental character-

1 istics of the eligible facilities proposed for transfer;
2 and

3 (2) facilitates the transfer to qualifying entities
4 of the title to eligible facilities to promote more effi-
5 cient management of water and water-related facili-
6 ties.

7 (b) AUTHORIZATION TO TRANSFER TITLE TO ELIGI-
8 BLE FACILITIES.—

9 (1) IN GENERAL.—The Secretary may convey
10 to a qualifying entity all right, title, and interest of
11 the United States in and to any eligible facility, sub-
12 ject to paragraphs (2) through (6), if—

13 (A) the Secretary notifies Congress in writ-
14 ing of the proposed conveyance at least 90 days
15 before the date on which the Secretary makes
16 the conveyance; and

17 (B) Congress does not pass a joint resolu-
18 tion disapproving the conveyance before such
19 date.

20 (2) RIGHT OF FIRST REFUSAL.—If the entity
21 that operates an eligible facility at the time that the
22 Secretary attempts to facilitate the transfer of title
23 under subsection (a)(2) is a qualifying entity, that
24 entity shall have the right of first refusal to receive
25 the conveyance under paragraph (1).

1 (3) RESERVATION OF EASEMENT.—The Sec-
2 retary may reserve an easement over a conveyed
3 property if the Secretary determines that the ease-
4 ment is necessary for the management of any inter-
5 ests retained by the Federal Government under this
6 chapter.

7 (4) MINERAL INTERESTS.—

8 (A) RETENTION.—The Secretary shall re-
9 tain any mineral interests associated with a
10 conveyed property.

11 (B) MANAGEMENT.—The mineral interests
12 retained under subparagraph (A) shall be man-
13 aged—

14 (i) consistent with Federal law; and

15 (ii) in a manner that would not inter-
16 fere with the purposes for which the rec-
17 lamation project was authorized.

18 (5) INTERESTS IN WATER.—No interests in
19 water shall be conveyed under this chapter unless
20 the conveyance is provided for in writing in an
21 agreement between the Secretary and the qualifying
22 entity.

23 (6) ADDITIONAL CRITERIA.—Title transfers
24 under this section shall be carried out consistent
25 with—

1 (A) this chapter; and

2 (B) any additional criteria or procedures
3 that the Secretary determines to be in the pub-
4 lic interest.

5 (c) RESTRICTIONS ON USE.—As a condition of ob-
6 taining title to an eligible facility, the qualifying entity
7 shall agree to use the eligible facility for substantially the
8 same purposes the eligible facility is being used for during
9 the period in which the eligible facility was under reclama-
10 tion ownership.

11 **SEC. 243. COMPLIANCE WITH ENVIRONMENTAL AND HIS-**
12 **TORIC PRESERVATION LAWS.**

13 (a) IN GENERAL.—Before conveying eligible facilities
14 under this chapter, the Secretary shall complete all actions
15 required under all applicable laws, including—

16 (1) the National Environmental Policy Act of
17 1969 (42 U.S.C. 4321 et seq.);

18 (2) the Endangered Species Act of 1973 (16
19 U.S.C. 1531 et seq.); and

20 (3) the National Historic Preservation Act (16
21 U.S.C. 470 et seq.).

22 (b) LIMITATION ON CONVEYANCES.—The Secretary
23 may not convey an eligible facility under this chapter if
24 the Secretary determines, as part of a review conducted
25 under the National Environmental Policy Act of 1969 and

1 with public input, that making the conveyance will lessen
2 any of the protections afforded under the laws referred
3 to in subsection (a) or is inconsistent with other applicable
4 requirements to preserve and protect environmental, cul-
5 tural, and historic assets.

6 **SEC. 244. ELIGIBILITY CRITERIA.**

7 (a) **ESTABLISHMENT.**—The Secretary shall establish
8 criteria for determining whether facilities are eligible for
9 conveyance under this chapter.

10 (b) **MINIMUM REQUIREMENTS.**—

11 (1) **AGREEMENT OF QUALIFYING ENTITY.**—The
12 criteria established under subsection (a) shall in-
13 clude a requirement that a qualifying entity agree—

14 (A) to accept title to the eligible facility;

15 (B) to accept all liability for the eligible fa-
16 cility, except as otherwise provided in section
17 245;

18 (C) to use the eligible facility for substan-
19 tially the same purposes the eligible facility is
20 being used for at the time the Secretary evalu-
21 ates the potential transfer; and

22 (D) to provide, as consideration for the as-
23 sets to be conveyed, compensation to the United
24 States in an amount that is the equivalent of
25 the net present value of any repayment obliga-

1 tion to the United States or other income
2 stream the United States derives from the eligi-
3 ble facility to be transferred as of the date of
4 the transfer, including any costs previously
5 deemed beyond the irrigator's ability to pay and
6 reassigned to project power customers for re-
7 payment.

8 (2) DETERMINATIONS OF SECRETARY.—

9 (A) IN GENERAL.—The criteria established
10 under subsection (a) shall include a require-
11 ment that the Secretary, in consultation with
12 the Governor of any State in which the project
13 is located, determine that the proposed trans-
14 fer—

15 (i) would not have an unmitigated sig-
16 nificant effect on the environment;

17 (ii) is uncomplicated, based on, as de-
18 termined by the Secretary—

19 (I) there being no significant op-
20 position to the proposed transfer;

21 (II) the eligible facility not being
22 hydrologically, operationally, or finan-
23 cially integrated with other Federal or
24 non-Federal water projects;

1 (III) the eligible facility not gen-
2 erating electric power sold to, or eligi-
3 ble to be sold to, power customers
4 (other than the project itself); and

5 (IV) the parties to the transfer
6 being able to reach agreement on
7 legal, institutional, and financial ar-
8 rangements relating to the convey-
9 ance;

10 (iii) is consistent with the responsi-
11 bility of the Secretary—

12 (I) to protect land and water re-
13 sources held in trust for federally rec-
14 ognized Indian tribes; and

15 (II) to ensure compliance with
16 any applicable international treaties
17 and interstate compacts; and

18 (iv) is in the financial interest of the
19 United States.

20 (B) PUBLICATION.—The Secretary shall
21 make publically available information on how
22 the Secretary made the determinations under
23 subparagraph (A).

24 (3) STATUS OF RECLAMATION LAND.—The cri-
25 teria established under subsection (a) shall require

1 that any land to be conveyed out of Federal owner-
2 ship under this Act is—

3 (A) land acquired by the Secretary; or

4 (B) land withdrawn by the Secretary, only

5 if—

6 (i) the Secretary determines in writing
7 that the withdrawn land is encumbered by
8 reclamation project facilities to the extent
9 that the withdrawn land is unsuitable for
10 return to the public domain; and

11 (ii) the qualifying entity agrees to pay
12 fair market value for the withdrawn land
13 to be conveyed.

14 **SEC. 245. LIABILITY.**

15 (a) IN GENERAL.—Except as provided in subsection
16 (b), effective beginning on the date of conveyance of any
17 eligible facility under this chapter, the United States shall
18 not be liable under any law for damages of any kind aris-
19 ing out of any act, omission, or occurrence based on the
20 prior ownership or operation of the conveyed property.

21 (b) LIMITATION.—Notwithstanding subsection (a),
22 the United States shall retain the responsibilities and au-
23 thorities of the United States for a conveyed property
24 based on the prior ownership or operation of the conveyed
25 property by the United States under Federal environ-

1 mental laws, including the Comprehensive Environmental
2 Response, Compensation, and Liability Act of 1980 (42
3 U.S.C. 9601 et seq.).

4 **SEC. 246. BENEFITS.**

5 After a conveyance of an eligible facility under this
6 chapter—

7 (1) the conveyed property shall no longer be
8 considered to be a part of a reclamation project; and

9 (2) the entity to which the conveyed property is
10 conveyed shall not be eligible to receive any benefits
11 with respect to the conveyed property (including
12 project power), except for benefits that would be
13 available to a similarly situated entity with respect
14 to property that is not part of a reclamation project.

15 **SEC. 247. COMPLIANCE WITH OTHER LAWS.**

16 (a) IN GENERAL.—After a conveyance of title under
17 this chapter, the qualifying entity to which the property
18 is conveyed shall comply with all applicable Federal, State,
19 and local laws (including regulations) in the operation of
20 the conveyed property.

21 (b) EFFECT.—

22 (1) IN GENERAL.—Nothing in this chapter shall
23 affect or interfere with—

24 (A) the laws of any State relating to the
25 control, appropriation, use, or distribution of

1 water used in irrigation or for any other pur-
2 pose;

3 (B) any vested right acquired under State
4 law; or

5 (C) any interstate compact, decree, or ne-
6 gotiated water rights agreement.

7 (2) CONFORMITY WITH STATE LAW.—In car-
8 rying out this chapter, the Secretary shall proceed in
9 conformity with the State laws and rights acquired
10 under State law described in paragraph (1).

11 **SEC. 248. AUTHORIZATION OF APPROPRIATIONS.**

12 (a) IN GENERAL.—There are authorized to be appro-
13 priated to carry out this chapter such sums as are nec-
14 essary.

15 (b) USE OF AMOUNTS.—Amounts made available
16 under subsection (a) may be used—

17 (1) to carry out the investigations to carry out
18 this chapter; and

19 (2) to pay any other costs associated with con-
20 veyances under this chapter, including an appro-
21 priate Federal share of the costs of compliance with
22 the National Environmental Policy Act of 1969 (42
23 U.S.C. 4321 et seq.) and other applicable law.

24 (c) NOT TREATED AS PROJECT COSTS.—Expendi-
25 tures made by the Secretary under this chapter—

1 (1) shall not be a project cost assignable to a
2 reclamation project; and

3 (2) shall be nonreimbursable.

4 **SEC. 249. TERMINATION OF AUTHORITY.**

5 The authority of the Secretary to carry out convey-
6 ances under this chapter shall terminate 15 years after
7 the date of enactment of this Act.

8 **Subtitle C—Innovative Stormwater**
9 **Capture Program**

10 **SEC. 251. SHORT TITLE.**

11 This subtitle may be cited as the “Innovative
12 Stormwater Infrastructure Act of 2015”.

13 **SEC. 252. PURPOSES AND FINDINGS.**

14 Congress finds that—

15 (1) many water resources in the United States
16 are declining, particularly in urban and agricultural
17 areas;

18 (2) the decline of water resources is the result
19 of—

20 (A) an increase in population, water con-
21 sumption, and impermeable surfaces; and

22 (B) the negative effects of urbanization,
23 commercial and industrial activities, and in-
24 creasing and persistent droughts;

1 (3) an October 2008 study by the National Re-
2 search Council found that some of the benefits of in-
3 novative stormwater control infrastructure include—

4 (A) increased water supplies;

5 (B) the creation of jobs;

6 (C) cost savings; and

7 (D) a reduction of stormwater runoff, sur-
8 face water discharge, stormwater pollution, and
9 stormwater flows to protect and restore natural
10 hydrology, meeting local conditions to the max-
11 imum extent feasible; and

12 (4) capturing stormwater runoff in urban and
13 suburban areas of the State of California can in-
14 crease water supplies by over 600,000 acre-feet an-
15 nually, and that similar benefits are achievable in
16 the urban and suburban areas of other States.

17 **SEC. 253. DEFINITIONS.**

18 In this subtitle:

19 (1) ADMINISTRATOR.—The term “Adminis-
20 trator” means the Administrator of the Environ-
21 mental Protection Agency.

22 (2) CENTER.—The term “center” means a cen-
23 ter of excellence for innovative stormwater control
24 infrastructure established under section 4(a).

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

3 (A) a State, tribal, or local government; or

4 (B) a local, regional, or other entity that
5 manages stormwater, drinking water resources,
6 or waste water resources.

7 (4) ELIGIBLE INSTITUTION.—

8 (A) IN GENERAL.—The term “eligible in-
9 stitution” means an institution of higher edu-
10 cation (as defined in section 101 of the Higher
11 Education Act of 1965 (20 U.S.C. 1001)), or a
12 research institution, that has demonstrated ex-
13 cellence in innovative stormwater control infra-
14 structure by—

15 (i) conducting research on innovative
16 stormwater control infrastructure to deter-
17 mine the means by which innovative infra-
18 structure reduces stormwater runoff, en-
19 hances and protects drinking water
20 sources, and improves water quality;

21 (ii) developing and disseminating in-
22 formation regarding the means by which
23 an organization can use innovative
24 stormwater control infrastructure;

- 1 (iii) providing technical assistance to
2 an organization for an innovative
3 stormwater control infrastructure project;
- 4 (iv) developing best practices stand-
5 ards for innovative stormwater control in-
6 frastructure;
- 7 (v) providing job training relating to
8 innovative stormwater control infrastruc-
9 ture;
- 10 (vi) developing course curricula for—
11 (I) elementary schools (as defined
12 in section 9101 of the Elementary and
13 Secondary Education Act of 1965 (20
14 U.S.C. 7801));
15 (II) secondary schools (as defined
16 in that section);
17 (III) institutions of higher edu-
18 cation (as defined in section 101 of
19 the Higher Education Act of 1965 (20
20 U.S.C. 1001)); or
21 (IV) vocational schools;
- 22 (vii) training students regarding inno-
23 vative stormwater control infrastructure; or
24 (viii) providing information to the
25 Federal Government or State, tribal, and

1 local governments regarding the implemen-
2 tation of innovative stormwater control in-
3 frastructure.

4 (B) ASSOCIATED DEFINITION.—For pur-
5 poses of subparagraph (A), the term “research
6 institution” means an entity that is—

7 (i) described in section 501(c)(3) of
8 the Internal Revenue Code of 1986;

9 (ii) exempt from tax under section
10 501(a) of the Internal Revenue Code of
11 1986; and

12 (iii) organized and operated for re-
13 search purposes.

14 (5) INDIAN TRIBE.—The term “Indian tribe”
15 has the meaning given the term in section 518(h) of
16 the Federal Water Pollution Control Act (33 U.S.C.
17 1377(h)).

18 (6) STATE.—The term “State” means—

19 (A) each of the several States of the
20 United States;

21 (B) the District of Columbia;

22 (C) the Commonwealth of Puerto Rico;

23 (D) Guam;

24 (E) American Samoa;

- 1 (F) the Commonwealth of the Northern
2 Mariana Islands;
3 (G) the Federated States of Micronesia;
4 (H) the Republic of the Marshall Islands;
5 (I) the Republic of Palau; and
6 (J) the United States Virgin Islands.

7 (7) INNOVATIVE STORMWATER CONTROL INFRA-
8 STRUCTURE.—

9 (A) IN GENERAL.—The term “innovative
10 stormwater control infrastructure” means any
11 green infrastructure stormwater management
12 technique that—

13 (i) uses natural systems or engineered
14 systems that mimic natural processes to
15 infiltrate, evapotranspire, or capture
16 stormwater; and

17 (ii) preserves, enhances, or mimics
18 natural hydrology to protect or restore
19 water quality.

20 (B) INCLUSIONS.—The term “innovative
21 stormwater control infrastructure” includes—

22 (i) methods that promote absorption,
23 uptake, percolation, evapotranspiration,
24 and filtration by soil and plant life; and

1 (ii) the preservation or restoration
2 of—

3 (I) natural topography, including
4 hills, plains, ravines, and shorelines;

5 (II) interconnected networks of
6 natural land that protect essential ec-
7 ological functions critical for water
8 quality;

9 (III) ecological function, includ-
10 ing forests, grasslands, and deserts;

11 (IV) bodies of water, including
12 lakes, flood plains, headwaters, and
13 wetlands; and

14 (V) native soil characteristics of
15 composition, structure, and
16 transmissivity.

17 **SEC. 254. CENTERS OF EXCELLENCE FOR INNOVATIVE**
18 **STORMWATER CONTROL INFRASTRUCTURE.**

19 (a) ESTABLISHMENT OF CENTERS.—

20 (1) IN GENERAL.—The Administrator shall pro-
21 vide grants, on a competitive basis, to eligible insti-
22 tutions to establish and maintain not less than 3,
23 and not more than 5, centers of excellence for inno-
24 vative stormwater control infrastructure, to be lo-

1 cated in various regions throughout the United
2 States.

3 (2) GENERAL OPERATION.—Each center
4 shall—

5 (A) conduct research on innovative
6 stormwater control infrastructure that is rel-
7 evant to the geographical region in which the
8 center is located, including stormwater and
9 sewer overflow reduction, other approaches to
10 water resource enhancement, and other environ-
11 mental, economic, and social benefits;

12 (B) develop manuals and establish industry
13 standards on best management practices relat-
14 ing to State, tribal, local, and commercial inno-
15 vative stormwater control infrastructure for use
16 by State, tribal, and local governments and the
17 private sector;

18 (C) develop and administer testing and
19 evaluation protocols to measure and verify the
20 performance of stormwater infrastructure prod-
21 ucts and practices;

22 (D) provide information regarding research
23 conducted under subparagraph (A), manuals
24 developed under subparagraph (B), and testing
25 and evaluation performed under subparagraph

1 (C) to the national electronic clearinghouse cen-
2 ter for publication on the Internet website es-
3 tablished under subsection (c) to provide to the
4 Federal Government and State, tribal, and local
5 governments and the private sector information
6 regarding innovative stormwater control infra-
7 structure;

8 (E) provide technical assistance to State,
9 tribal, and local governments to assist with the
10 construction, operation, and maintenance of in-
11 novative stormwater control infrastructure
12 projects;

13 (F) collaborate with institutions of higher
14 education and private and public organizations
15 in the geographical region in which the center
16 is located on innovative stormwater control in-
17 frastructure research and technical assistance
18 projects;

19 (G) assist institutions of higher education,
20 secondary schools, and vocational schools to de-
21 velop innovative stormwater control infrastruc-
22 ture curricula;

23 (H) provide training regarding innovative
24 stormwater control infrastructure to institutions
25 of higher education and professional schools;

1 (I) evaluate regulatory and policy issues
2 relating to innovative stormwater control infra-
3 structure; and

4 (J) coordinate with the other centers to
5 avoid duplication of efforts.

6 (b) APPLICATION.—To be eligible to receive a grant
7 under this section, an eligible institution shall prepare and
8 submit to the Administrator an application at such a time,
9 in such form, and containing such information as the Ad-
10 ministrator may require.

11 (c) NATIONAL ELECTRONIC CLEARINGHOUSE CEN-
12 TER.—Of the centers established under subsection (a)(1),
13 one shall—

14 (1) be designated as the “national electronic
15 clearinghouse center”; and

16 (2) in addition to the other functions of that
17 center—

18 (A) develop, operate, and maintain an
19 Internet website and a public database that
20 contain information relating to innovative
21 stormwater control infrastructure; and

22 (B) post to the website information from
23 all centers.

1 **SEC. 255. INNOVATIVE STORMWATER CONTROL INFRA-**
2 **STRUCTURE PROJECT GRANTS.**

3 (a) GRANT AUTHORITY.—The Administrator shall
4 provide grants, on a competitive basis, to eligible entities
5 to carry out innovative stormwater control infrastructure
6 projects in accordance with this section.

7 (b) INNOVATIVE STORMWATER CONTROL INFRA-
8 STRUCTURE PROJECTS.—

9 (1) PLANNING AND DEVELOPMENT GRANTS.—

10 The Administrator may make planning and develop-
11 ment grants under this section for the following
12 projects:

13 (A) Planning and designing innovative
14 stormwater control infrastructure projects, in-
15 cluding engineering surveys, landscape plans,
16 maps, and implementation plans.

17 (B) Identifying and developing standards
18 and revisions to local zoning, building, or other
19 local codes necessary to accommodate innova-
20 tive stormwater control infrastructure projects.

21 (C) Identifying and developing fee struc-
22 tures to provide financial support for design, in-
23 stallation, and operations and maintenance of
24 innovative stormwater control infrastructure.

1 (D) Developing training and educational
2 materials regarding innovative stormwater con-
3 trol infrastructure for distribution to—

4 (i) individuals and entities with appli-
5 cable technical knowledge; and

6 (ii) the public.

7 (E) Developing an innovative stormwater
8 control infrastructure portfolio standard pro-
9 gram described in section 6(e).

10 (2) IMPLEMENTATION GRANTS.—The Adminis-
11 trator may make implementation grants under this
12 section for the following projects:

13 (A) Installing innovative stormwater con-
14 trol infrastructure.

15 (B) Protecting or restoring interconnected
16 networks of natural areas that protect water
17 quality.

18 (C) Monitoring and evaluating the environ-
19 mental, economic, or social benefits of innova-
20 tive stormwater control infrastructure.

21 (D) Implementing a best practices stand-
22 ard for an innovative stormwater control infra-
23 structure program.

1 (E) Implementing an innovative
2 stormwater control infrastructure portfolio
3 standard program described in section 6(e).

4 (c) APPLICATION.—Except as otherwise provided in
5 this Act, to be eligible to receive a grant under this section,
6 an eligible entity shall prepare and submit to the Adminis-
7 trator an application at such time, in such form, and con-
8 taining such information as the Administrator may re-
9 quire, including, as applicable—

10 (1) a description of the innovative stormwater
11 control infrastructure project;

12 (2) a plan for monitoring the impacts of the in-
13 novative stormwater control infrastructure project
14 on the water quality and quantity;

15 (3) an evaluation of other environmental, eco-
16 nomic, and social benefits of the innovative
17 stormwater control infrastructure project; and

18 (4) a plan for the long-term operation and
19 maintenance of the innovative stormwater control in-
20 frastructure project.

21 (d) ADDITIONAL REQUIREMENT FOR INNOVATIVE
22 STORMWATER CONTROL INFRASTRUCTURE PORTFOLIO
23 STANDARD PROJECT.—In addition to an application
24 under subsection (c), a State or Indian tribe applying for
25 a grant for an innovative stormwater control infrastruc-

1 ture portfolio standard program described in section 6(e)
2 shall prepare and submit to the Administrator a schedule
3 of increasing minimum percentages of the annual water
4 to be managed using innovative stormwater control infra-
5 structure under the program.

6 (e) PRIORITY.—In making grants under this section,
7 the Administrator shall give priority to applications sub-
8 mitted on behalf of—

9 (1) a community that—

10 (A) has combined storm and sanitary sew-
11 ers in the collection system of the community;

12 or

13 (B) is a low-income or disadvantaged com-
14 munity, as determined by the Administrator; or

15 (2) an eligible entity that will use not less than
16 10 percent of the grant to provide service to a low-
17 income or disadvantaged community, as determined
18 by the Administrator.

19 (f) MAXIMUM AMOUNTS.—

20 (1) PLANNING AND DEVELOPMENT GRANTS.—

21 (A) SINGLE GRANT.—The amount of a sin-
22 gle planning and development grant provided
23 under this section shall be not more than
24 \$200,000.

1 (B) AGGREGATE AMOUNT.—The total
2 amount of all planning and development grants
3 provided under this section for a fiscal year
4 shall be not more than $\frac{1}{3}$ of the total amount
5 made available to carry out this section.

6 (2) IMPLEMENTATION GRANTS.—

7 (A) SINGLE GRANT.—The amount of a sin-
8 gle implementation grant provided under this
9 section shall be not more than \$3,000,000.

10 (B) AGGREGATE AMOUNT.—The total
11 amount of all implementation grants provided
12 under this section for a fiscal year shall be not
13 more than $\frac{2}{3}$ of the total amount made avail-
14 able to carry out this section.

15 (g) FEDERAL SHARE.—

16 (1) IN GENERAL.—Except as provided in para-
17 graph (3), the Federal share of a grant provided
18 under this section shall not exceed 65 percent of the
19 total project cost.

20 (2) CREDIT FOR IMPLEMENTATION GRANTS.—
21 The Administrator shall credit toward the non-Fed-
22 eral share of the cost of an implementation project
23 carried out under this section the cost of planning,
24 design, and construction work completed for the

1 project using funds other than funds provided under
2 this Act.

3 (3) EXCEPTION.—The Administrator may waive
4 the Federal share limitation under paragraph (1) for
5 an eligible entity that has adequately demonstrated
6 financial need.

7 **SEC. 256. ENVIRONMENTAL PROTECTION AGENCY INNOVA-**
8 **TIVE STORMWATER CONTROL INFRASTRUC-**
9 **TURE PROMOTION.**

10 (a) IN GENERAL.—The Administrator shall ensure
11 that the Office of Water, the Office of Enforcement and
12 Compliance, the Office of Research and Development, and
13 the Office of Policy of the Environmental Protection Agen-
14 cy promote the use of innovative stormwater control infra-
15 structure in and coordinate the integration of innovative
16 stormwater control infrastructure into permitting pro-
17 grams, planning efforts, research, technical assistance,
18 and funding guidance.

19 (b) DUTIES.—The Administrator shall ensure that
20 the Office of Water—

21 (1) promotes the use of innovative stormwater
22 control infrastructure in the programs of the Envi-
23 ronmental Protection Agency;

24 (2) supports establishing public-private partner-
25 ships and other innovative financing mechanisms in

1 the implementation of innovative stormwater control
2 infrastructure; and

3 (3) coordinates efforts to increase the use of in-
4 novative stormwater control infrastructure with—

5 (A) other Federal departments and agen-
6 cies;

7 (B) State, tribal, and local governments;
8 and

9 (C) the private sector.

10 (c) REGIONAL INNOVATIVE STORMWATER CONTROL
11 INFRASTRUCTURE PROMOTION.—The Administrator shall
12 direct each regional office of the Environmental Protection
13 Agency, as appropriate based on local factors, to promote
14 and integrate the use of innovative stormwater control in-
15 frastructure within the region that includes—

16 (1) a plan for monitoring, financing, mapping,
17 and designing the innovative stormwater control in-
18 frastructure;

19 (2) outreach and training regarding innovative
20 stormwater control infrastructure implementation
21 for State, tribal, and local governments, tribal com-
22 munities, and the private sector; and

23 (3) the incorporation of innovative stormwater
24 control infrastructure into permitting and other reg-
25 ulatory programs, codes, and ordinance development,

1 including the requirements under consent decrees
2 and settlement agreements in enforcement actions.

3 (d) INNOVATIVE STORMWATER CONTROL INFRA-
4 STRUCTURE INFORMATION-SHARING.—The Administrator
5 shall promote innovative stormwater control infrastructure
6 information-sharing, including through an Internet
7 website, to share information with, and provide technical
8 assistance to, State, tribal, and local governments, tribal
9 communities, the private sector, and the public regarding
10 innovative stormwater control infrastructure approaches
11 for—

12 (1) reducing water pollution;

13 (2) protecting water resources;

14 (3) complying with regulatory requirements;

15 and

16 (4) achieving other environmental, public
17 health, and community goals.

18 (e) INNOVATIVE STORMWATER CONTROL INFRA-
19 STRUCTURE PORTFOLIO STANDARD.—The Administrator,
20 in collaboration with State, tribal, and local water resource
21 managers, shall establish voluntary measurable goals, to
22 be known as the “innovative stormwater control infra-
23 structure portfolio standard”, to increase the percentage
24 of annual water managed by eligible entities that use inno-
25 vative stormwater control infrastructure.

1 **SEC. 257. REPORT TO CONGRESS.**

2 Not later than September 30, 2017, the Adminis-
3 trator shall submit to Congress a report that includes,
4 with respect to the period covered by the report—

5 (1) a description of all grants provided under
6 this Act;

7 (2) a detailed description of—

8 (A) the projects supported by those grants;

9 and

10 (B) the outcomes of those projects;

11 (3) a description of the improvements in tech-
12 nology, environmental benefits, resources conserved,
13 efficiencies, and other benefits of the projects funded
14 under this Act;

15 (4) recommendations for improvements to pro-
16 mote and support innovative stormwater control in-
17 frastructure for the centers, grants, and activities
18 under this Act; and

19 (5) a description of existing challenges con-
20 cerning the use of innovative stormwater control in-
21 frastructure.

22 **SEC. 258. AUTHORIZATION OF APPROPRIATIONS.**

23 There are authorized to be appropriated to carry out
24 this Act such sums as are necessary for each of fiscal
25 years 2016 through 2021.

1 **TITLE III—IMPROVED INFRA-**
2 **STRUCTURE AND WATER**
3 **MANAGEMENT**

4 **Subtitle A—Restoring America’s**
5 **Watersheds and Increasing**
6 **Water Yields**

7 **SEC. 301. SHORT TITLE.**

8 This subtitle may be cited as the “Restoring Amer-
9 ica’s Watersheds Act of 2015”.

10 **SEC. 302. FINDINGS.**

11 Congress makes the following findings:

12 (1) Watershed health and effective headwaters
13 management can have multiple benefits for water
14 supply reliability, water quality, and ecosystems.

15 (2) Investments to restore meadows, forests,
16 and watersheds will improve their critical
17 hydrological functions and reduce wildfire impacts.

18 (3) Proper ecosystem restoration could increase
19 groundwater storage by 50,000 to 500,000 acre-feet
20 per year just within the National Forest System
21 lands in the Sierra bioregion of the State of Cali-
22 fornia.

23 (4) Improved headwaters management would
24 have a similarly significant impact on groundwater

1 storage within National Forest System lands across
2 the western States.

3 (5) Source watersheds are recognized and de-
4 fined as an integral part of federally funded water
5 systems.

6 **SEC. 303. WATER SOURCE PROTECTION PROGRAM.**

7 Subtitle A of title III of the Omnibus Public Land
8 Management Act of 2009 (Public Law 111–11; 123 Stat.
9 1126) is amended by adding at the end the following:

10 **“SEC. 3002. WATER SOURCE PROTECTION PROGRAM.**

11 “(a) IN GENERAL.—The Secretary of Agriculture,
12 acting through the Chief of the Forest Service (referred
13 to in this section as the ‘Secretary’), shall establish and
14 maintain a Water Source Protection Program (referred to
15 in this section as the ‘Program’) within the National For-
16 est System west of the 100th Meridian.

17 “(b) WATER SOURCE INVESTMENT PARTNER-
18 SHIPS.—

19 “(1) IN GENERAL.—In carrying out the Pro-
20 gram, the Secretary may enter into water source in-
21 vestment partnerships with end water users (includ-
22 ing States, political subdivisions, Indian tribes, utili-
23 ties, municipal water systems, irrigation districts,
24 nonprofit organizations, and corporations) to protect
25 and restore the condition of National Forest water-

1 sheds that provide water to the non-Federal part-
2 ners.

3 “(2) FORM.—A partnership described in para-
4 graph (1) may take the form of memoranda of un-
5 derstanding, cost-share or collection agreements,
6 long-term match funding commitments, or other ap-
7 propriate instruments.

8 “(c) WATER SOURCE MANAGEMENT PLAN.—

9 “(1) IN GENERAL.—In carrying out the Pro-
10 gram, the Secretary may produce a water source
11 management plan in cooperation with the water
12 source investment partnership participants and
13 State, local, and tribal governments.

14 “(2) FIREWOOD.—A water source management
15 plan may give priority to projects that facilitate the
16 gathering of firewood for personal use pursuant to
17 section 223.5 of title 36, Code of Federal Regula-
18 tions (or successor regulations).

19 “(3) ENVIRONMENTAL ANALYSIS.—The Sec-
20 retary may conduct—

21 “(A) a single environmental impact state-
22 ment or similar analysis required under the Na-
23 tional Environmental Policy Act of 1969 (42
24 U.S.C. 4321 et seq.) for all or part of the res-

1 toration projects in the water source manage-
2 ment plan; and

3 “(B) a statement or analysis described in
4 subparagraph (A) as part of the development of
5 the water source management plan or after the
6 finalization of the plan.

7 “(4) ENDANGERED SPECIES ACT.—In carrying
8 out the Program, the Secretary may use the Manual
9 on Adaptive Management of the Department of the
10 Interior, including any associated guidance, for pur-
11 poses of fulfilling any requirements under the En-
12 dangered Species Act of 1973 (16 U.S.C. 1531 et
13 seq.).

14 “(5) FUNDS AND SERVICES.—

15 “(A) IN GENERAL.—In carrying out the
16 Program, the Secretary may accept and use
17 funding, services, and other forms of investment
18 and assistance from water source investment
19 partnership participants to implement the water
20 source management plan.

21 “(B) MANNER OF USE.—The Secretary
22 may accept and use investments described in
23 subparagraph (A) directly or indirectly through
24 the National Forest Foundation.

1 “(C) WATER SOURCE PROTECTION
2 FUND.—

3 “(i) IN GENERAL.—Subject to the
4 availability of appropriations, the Secretary
5 may establish a Water Source Protection
6 Fund to match funds or in-kind support
7 contributed by water source investment
8 partnership participants under subpara-
9 graph (A).

10 “(ii) USE OF APPROPRIATED
11 FUNDS.—The Secretary may use funds ap-
12 propriated to carry out this subparagraph
13 to make multiyear commitments, if nec-
14 essary, to implement 1 or more water
15 source investment partnership agree-
16 ments.”.

17 **SEC. 304. WATERSHED CONDITION FRAMEWORK.**

18 Subtitle A of title III of the Omnibus Public Land
19 Management Act of 2009 (Public Law 111–11; 123 Stat.
20 1126) is amended by inserting after section 3002, as
21 added by section 303, the following:

22 **“SEC. 3003. WATERSHED CONDITION FRAMEWORK.**

23 “(a) IN GENERAL.—The Secretary of Agriculture,
24 acting through the Chief of the Forest Service (referred
25 to in this section as the ‘Secretary’), shall establish and

1 maintain a Watershed Condition Framework within the
2 National Forest System west of the 100th Meridian—

3 “(1) to evaluate and classify the condition of
4 watersheds, taking into consideration—

5 “(A) water quality and quantity;

6 “(B) aquatic habitat and biota;

7 “(C) riparian and wetland vegetation;

8 “(D) the presence of roads and trails;

9 “(E) soil type and condition;

10 “(F) groundwater-dependent ecosystems;

11 “(G) relevant terrestrial indicators, such as
12 fire regime, risk of catastrophic fire, forest and
13 rangeland vegetation, invasive species, and in-
14 sects and disease; and

15 “(H) other significant factors, as deter-
16 mined by the Secretary;

17 “(2) to identify for restoration up to 5 priority
18 watersheds in each National Forest, and up to 2 pri-
19 ority watersheds in each national grassland, taking
20 into consideration the impact of the condition of the
21 watershed condition on—

22 “(A) wildfire behavior;

23 “(B) flood risk;

24 “(C) fish and wildlife;

25 “(D) drinking water supplies;

1 “(E) irrigation water supplies;

2 “(F) forest-dependent communities; and

3 “(G) other significant impacts, as deter-
4 mined by the Secretary;

5 “(3) to develop a watershed restoration action
6 plan for each priority watershed that—

7 “(A) takes into account existing restora-
8 tion activities being implemented in the water-
9 shed; and

10 “(B) includes, at a minimum—

11 “(i) the major stressors responsible
12 for the impaired condition of the water-
13 shed;

14 “(ii) a set of essential projects that,
15 once completed, will address the identified
16 stressors and improve watershed condi-
17 tions;

18 “(iii) a proposed implementation
19 schedule;

20 “(iv) potential partners and funding
21 sources; and

22 “(v) a monitoring and evaluation pro-
23 gram;

24 “(4) to prioritize restoration activities for each
25 watershed restoration action plan;

1 “(5) to implement each watershed restoration
2 action plan; and

3 “(6) to monitor the effectiveness of restoration
4 actions and indicators of watershed health.

5 “(b) COORDINATION.—Throughout the establishment
6 and maintenance of the Watershed Condition Framework,
7 the Secretary shall—

8 “(1) coordinate with interested non-Federal
9 landowners and with State, tribal, and local govern-
10 ments within the relevant watershed; and

11 “(2) provide for an active and ongoing public
12 engagement process.

13 “(c) EMERGENCY DESIGNATION.—Notwithstanding
14 subsection (a)(2), the Secretary may identify a watershed
15 as a priority for rehabilitation in the Watershed Condition
16 Framework without using the process described in sub-
17 section (a), if the appropriate Forest Supervisor deter-
18 mines that—

19 “(1) a wildfire has significantly diminished the
20 condition of the watershed; and

21 “(2) the emergency stabilization activities of the
22 Burned Area Emergency Response Team are insuffi-
23 cient to return the watershed to proper function.”.

1 **SEC. 305. FOREST SERVICE LEGACY ROADS AND TRAILS RE-**
2 **MEDIATION PROGRAM.**

3 (a) IN GENERAL.—The Secretary of Agriculture, act-
4 ing through the Chief of the Forest Service (referred to
5 in this section as the “Secretary”), shall establish and
6 maintain a Forest Service Legacy Roads and Trails Reme-
7 diation Program (referred to in this section as the “Pro-
8 gram”) within the National Forest System west of the
9 100th Meridian—

10 (1) to carry out critical maintenance and urgent
11 repairs and improvements on National Forest Sys-
12 tem roads, trails, and bridges;

13 (2) to restore fish and other aquatic organism
14 passage by removing or replacing unnatural barriers
15 to the passage of fish and other aquatic organisms;

16 (3) to decommission unneeded roads and trails;
17 and

18 (4) to carry out associated activities.

19 (b) PRIORITY.—In implementing the Program, the
20 Secretary shall give priority to projects that protect or re-
21 store—

22 (1) water quality;

23 (2) watersheds that feed public drinking water
24 systems; or

25 (3) habitat for threatened, endangered, and
26 sensitive fish and wildlife species.

1 (c) NATIONAL FOREST SYSTEM.—Except as author-
2 ized under section 323 of the Department of the Interior
3 and Related Agencies Appropriations Act, 1999 (16
4 U.S.C. 1011a), all projects carried out under the Program
5 shall be on National Forest System roads.

6 (d) NATIONAL PROGRAM STRATEGY.—Not later than
7 180 days after the date of enactment of this Act, the Sec-
8 retary shall develop a national strategy for implementing
9 the Program.

10 **SEC. 306. REAUTHORIZATION OF THE COLLABORATIVE**
11 **FOREST LANDSCAPE RESTORATION FUND.**

12 Section 4003(f)(6) of the Omnibus Public Land Man-
13 agement Act of 2009 (16 U.S.C. 7303(f)(6)) is amended
14 by striking “2019, to remain available until expended”
15 and inserting “2015, and \$80,000,000 for each of fiscal
16 years 2016 through 2024, to remain available until ex-
17 pended”.

18 **Subtitle B—Reservoir Operation**
19 **Improvement**

20 **SEC. 311. SHORT TITLE.**

21 This subtitle may be cited as the “Five Demonstra-
22 tions of Advancing Yields by Fixing Operations of Res-
23 ervoirs to Encompass Climatic and Atmospheric Science
24 Trends Act”.

1 **SEC. 312. PROJECTS, PLANS, AND REPORTS.**

2 (a) SPECIFIC INFORMATION.—Not later than 90 days
3 after the date of enactment of this Act, the Secretary of
4 the Army shall provide to the Committees on Appropria-
5 tions of the House of Representatives and the Senate a
6 report including the following information for any State
7 under a gubernatorial drought declaration during water
8 year 2015:

9 (1) A list of Army Corps and non-Army Corps
10 (section 7 of the Flood Control Act of 1944 (33
11 U.S.C. 709)) projects that have a water control
12 plan.

13 (2) The year the original water control manual
14 was approved.

15 (3) The year for any subsequent revisions to
16 the project's water control plan and manual.

17 (4) A list of projects in which operational devi-
18 ations for drought contingency have been requested
19 or implemented and the status of the request.

20 (5) How water conservation and water quality
21 improvements were addressed.

22 (6) A list of projects where permanent changes
23 to storage allocations have been requested and the
24 status of the request.

25 (b) IDENTIFICATION OF PROJECTS.—Not later than
26 60 days after completion of the report under subsection

1 (a), the Secretary of the Army, in consultation with the
2 National Oceanic and Atmospheric Administration, shall
3 identify any projects from the report that meet the fol-
4 lowing criteria:

5 (1) Located in a State in which a drought
6 emergency has been declared or was in effect during
7 the 1-year period preceding the date of completion
8 of the report by the Secretary under subsection (a).

9 (2) Future revision of a water operations man-
10 ual, including flood control rule curves, based on the
11 better use of improved weather forecasting or run-
12 off forecasting methods, new watershed data, or
13 changes to project operations, would be likely to en-
14 hance the existing authorized project purposes for
15 water supply storage capacity and reliability, or
16 flood control operations.

17 (c) ADDITIONAL PROJECTS.—In addition, not later
18 than 60 days after completion of the report in subsection
19 (a), the Secretary of the Army shall identify any non-
20 Corps projects that meet the criteria in subsection (b) and
21 the following 2 criteria:

22 (1) The owner of the non-Corps project has
23 submitted to the Secretary of the Army a formal re-
24 quest to review or revise the operations manual or
25 flood control rule curves to accommodate new water-

1 shed data or projected project modifications or oper-
2 ational changes.

3 (2) The modifications or operational changes
4 proposed by the owner of the non-Corps projects are
5 likely to enhance water supply benefits and flood
6 control operations.

7 (d) PILOT PROJECTS.—Not later than 1 year after
8 identification of the projects in subsections (b) and (c),
9 if any, the Secretary of the Army, in consultation with
10 the National Oceanic and Atmospheric Administration,
11 shall establish not more than 5 pilot projects to implement
12 forecast-based reservoir operations.

13 (e) COORDINATION WITH NON-FEDERAL PROJECT
14 SPONSOR.—

15 (1) IN GENERAL.—If any of the projects identi-
16 fied in subsections (b) and (c) are non-Federal
17 projects, the Secretary of the Army, prior to car-
18 rying out an activity under this section, shall consult
19 with the non-Federal project sponsor and enter into
20 a cooperative agreement, memorandum of under-
21 standing, or other agreement with the non-Federal
22 project sponsor.

23 (2) DEFINITION.—In this subsection, the term
24 “non-Federal project sponsor” means an entity or a
25 local government entity, including a municipal water

1 district, that currently manages (in whole or in part)
2 an Army Corps of Engineers dam or reservoir.

3 (f) FORECAST-BASED RESERVOIR OPERATIONS

4 PLAN.—As part of the pilot project under subsection (d),
5 the Secretary, in consultation with the National Oceanic
6 and Atmospheric Administration, in designing and imple-
7 menting a forecast-based reservoir operations plan, shall
8 include the following:

9 (1) The relationship between ocean and atmos-
10 pheric conditions, including the El Niño and La
11 Niña cycles, and the potential for above normal, nor-
12 mal, and below normal rainfall for the coming water
13 year.

14 (2) The precipitation and runoff index specific
15 to the basin and watershed of the relevant dam or
16 reservoir, including incorporating information about
17 hydrological and meteorological conditions that influ-
18 ence the timing and quantity of runoff.

19 (3) Improved hydrologic forecasting for precipi-
20 tation, snowpack, streamflow, and soil moisture con-
21 ditions.

22 (4) An adjustment of operational flood control
23 rule curves to optimize water supply storage and re-
24 liability, hydropower production, environmental bene-

1 fits for flows and temperature, and other authorized
2 project benefits, without a reduction in flood safety.

3 (5) Proactive management in response to
4 changes in forecasts.

5 (g) NON-FEDERAL FUNDS.—Upon finalizing an
6 agreement with a non-Federal project sponsor pursuant
7 to subsection (e), the Secretary of the Army may accept
8 non-Federal funds for all or a portion of the cost of car-
9 rying out a review or revision of water control manuals
10 and flood control rule curves.

11 (h) NO ADDITIONAL AUTHORITY.—Revisions of the
12 manuals referred to in subsection (b) shall not interfere
13 with authorized purposes. Nothing in this Act authorizes
14 the Secretary of the Army to carry out, at a Corps of En-
15 gineers dam or reservoir, any project for a purpose not
16 otherwise authorized as of the date of enactment of this
17 Act.

18 (i) CONSULTATION.—In implementing the pilot
19 projects pursuant to subsection (d), the Secretary of the
20 Army may consult with other affected interests, including
21 non-Federal entities responsible for operations and main-
22 tenance costs of a Corps facility, affected water rights
23 holders, individuals and entities with storage entitlements,
24 and local agencies with flood control responsibilities down-
25 stream of a Corps facility.

1 (j) CHANGE TO OPERATIONS MANUAL.—Not later
2 than 180 days after the completion of a change to the
3 operations manual or flood control rule curves, the Sec-
4 retary shall submit a report to the appropriate committees
5 of Congress regarding the components of the forecast-
6 based reservoir operations plan incorporated into the
7 change.

8 **Subtitle C—Reclamation Projects**
9 **for Renewable Energy To Re-**
10 **duce Evaporation Loss**

11 **SEC. 320. FINDINGS AND PURPOSE.**

12 (a) FINDINGS.—The Congress finds that—

13 (1) evaporative loss along Bureau of Reclama-
14 tion reservoirs, canals, and other conveyance systems
15 reduces the quantity and reliability of water deliv-
16 eries;

17 (2) drought and extreme aridity from changing
18 weather patterns will contribute to increased evapo-
19 rative loss in the future; and

20 (3) existing Central Valley Project operations
21 assume a conveyance loss for evaporation and seep-
22 age south of the Delta of 150,000 acre-feet annu-
23 ally.

24 (b) PURPOSE.—The purpose of this subtitle is to ex-
25 pand investments in infrastructure for Bureau of Rec-

1 lamation reservoirs, canals, and other conveyance systems,
2 that will provide shade, reduce evaporative loss, and in-
3 crease water supplies in the arid western States.

4 **SEC. 321. DEFINITIONS.**

5 In this subtitle:

6 (1) COVERED LAND.—The term “covered land”
7 means land that is—

8 (A) land under the administrative jurisdic-
9 tion of the Bureau of Reclamation; and

10 (B) not excluded from the development of
11 solar or wind energy under—

12 (i) a final land use plan established
13 under the Federal Land Policy and Man-
14 agement Act of 1976 (43 U.S.C. 1701 et
15 seq.); or

16 (ii) Federal law.

17 (2) FUND.—The term “Fund” means the Fish
18 and Wildlife Restoration Fund established under
19 section 324.

20 (3) PUBLIC LAND.—The term “public land”
21 has the meaning given the term “public lands” in
22 section 103 of the Federal Land Policy and Manage-
23 ment Act of 1976 (43 U.S.C. 1702).

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

1 **SEC. 322. EVALUATION AND REPORT.**

2 (a) IN GENERAL.—Not later than one year after the
3 date of the enactment of this Act, the Secretary shall com-
4 plete an evaluation and report to Congress on the potential
5 for developing rights-of-way along Bureau of Reclamation
6 canals and infrastructure, including reservoirs, for solar
7 or wind energy production through leasing of lands or
8 other means.

9 (b) REPORT.—The report to Congress shall specify—

10 (1) the location of potential rights-of-way for
11 energy production;

12 (2) estimates of water losses due to evaporation
13 that would be reduced due to shade and other bene-
14 fits from energy production;

15 (3) the total acreage available for energy pro-
16 duction;

17 (4) existing transmission infrastructure at such
18 locations;

19 (5) estimates of fair market leasing value of po-
20 tential energy sites; and

21 (6) estimates of energy development potential
22 at sites.

23 **SEC. 323. DEVELOPMENT OF SOLAR AND WIND ENERGY ON**
24 **COVERED LAND.**

25 (a) PILOT PROGRAM ON SELECTED COVERED
26 LAND.—

1 (1) ESTABLISHMENT.—Not later than 180 days
2 after the date of the enactment of this Act, the Sec-
3 retary shall establish a wind and solar energy leas-
4 ing pilot program under which the Secretary con-
5 ducts lease sales of certain sites located on covered
6 land for purposes of carrying out wind and solar en-
7 ergy projects.

8 (2) SELECTION OF SITES ON COVERED LAND.—

9 (A) IN GENERAL.—Not later than 90 days
10 after the date the pilot program is established
11 under paragraph (1), the Secretary shall select
12 from covered land—

13 (i) 1 site for the development of a
14 solar energy project; and

15 (ii) 1 site for the development of a
16 wind energy project.

17 (B) SITE SELECTION.—In selecting sites
18 under subparagraph (A), the Secretary shall—

19 (i) give a preference to sites that the
20 Secretary determines—

21 (I) are likely to attract a high
22 level of wind and solar energy indus-
23 try interest;

24 (II) would likely have a positive
25 impact on water supply through re-

1 ducing water loss from evaporation by
2 providing shade and temperature re-
3 ductions, or beneficial impacts from
4 energy production and infrastructure;
5 and

6 (III) would serve as models for
7 the expansion of the pilot program to
8 other locations if the program is ex-
9 panded under subsection (c);

10 (ii) take into consideration the value
11 of the multiple resources of the covered
12 land on which such sites are located; and

13 (iii) not select any site for which a
14 right-of-way or special use permit for site
15 testing or construction has been issued
16 under title V of the Federal Land Policy
17 and Management Act of 1976 (43 U.S.C.
18 1761 et seq.).

19 (3) LEASE SALES OF PROJECT SITES.—

20 (A) IN GENERAL.—Except as provided in
21 paragraph (4)(B)(i), not later than 180 days
22 after the date on which sites are selected under
23 paragraph (2), the Secretary shall offer each
24 site for competitive leasing under such terms
25 and conditions as the Secretary requires.

1 (B) BIDDING.—Bidding on a site offered
2 for lease under this subsection shall be—

3 (i) limited to one round;

4 (ii) open only to bidders who—

5 (I) submit a plan of development
6 for such site together with the bid;
7 and

8 (II) the Secretary determines are
9 qualified under subparagraph (C)(ii);
10 and

11 (iii) conducted using a bidding system
12 selected by the Secretary, including—

13 (I) a cash bonus bids system re-
14 quiring payment of the royalty estab-
15 lished under this Act;

16 (II) a variable royalty bids sys-
17 tem based on a percentage of the
18 gross proceeds from the sale of elec-
19 tricity produced from the site offered
20 for lease, except that the royalty shall
21 not be less than the royalty required
22 under this Act, together with a fixed
23 cash bonus; or

24 (III) such other bidding system
25 as ensures a fair return to the public

1 consistent with the royalty established
2 under this Act.

3 (C) BIDDER QUALIFICATIONS.—The Sec-
4 retary shall—

5 (i) before conducting any lease sale
6 under this subsection, establish qualifica-
7 tion requirements for bidders on a site of-
8 fered for lease that ensure that such bid-
9 ders, with respect to wind or solar energy
10 projects—

11 (I) are able to expeditiously de-
12 velop such a project on the site;

13 (II) possess the financial re-
14 sources necessary to complete such a
15 project;

16 (III) possess knowledge of the
17 technology needed to complete such a
18 project;

19 (IV) meet eligibility requirements
20 that are substantially similar to the
21 eligibility requirements for leasing
22 that apply under the first section of
23 the Mineral Leasing Act (30 U.S.C.
24 181 et seq.); and

1 (V) possess such other qualifica-
2 tions as the Secretary determines are
3 necessary; and

4 (ii) using the requirements established
5 under clause (i), determine whether a per-
6 son is qualified to be a bidder on a site of-
7 fered for lease under this subsection.

8 (D) CREDIT FOR BID PREPARATION EX-
9 PENDITURES.—In the case of a site offered for
10 lease under this subsection with respect to
11 which more than one bid is submitted on the
12 date of the lease sale of such site, the Secretary
13 shall give credit to each person who submitted
14 a bid with respect to such site for expenditures
15 such person incurred in the preparation of such
16 bid.

17 (4) LEASE TERMS.—

18 (A) IN GENERAL.—The Secretary may es-
19 tablish such lease terms and conditions, includ-
20 ing the duration of the lease with respect to any
21 site offered for lease under this subsection.

22 (B) SHORT-TERM LEASES FOR DATA COL-
23 LECTION.—In carrying out this subsection, the
24 Secretary shall—

1 (i) offer on a noncompetitive basis a
2 short-term lease on not less than one site
3 selected under paragraph (2) for purposes
4 of data collection; and

5 (ii) upon the expiration of the short-
6 term lease, offer on a competitive basis a
7 long-term lease, giving credit toward the
8 bonus bid submitted with respect to the
9 long-term lease to the holder of the short-
10 term lease for any qualified expenditures
11 made by such holder to collect data or to
12 develop the site during such short-term
13 lease.

14 (5) REVENUES.—Subject to section 324, the
15 Secretary may collect bonus bids, royalties, fees, or
16 other payments (except rental payments) with re-
17 spect to sites offered for lease under this subsection.

18 (6) REPORT.—Not later than 90 days after the
19 date on which the Secretary conducts the final lease
20 sale under this subsection, the Secretary shall sub-
21 mit to the Committee on Energy and Natural Re-
22 sources of the Senate and the Committee on Natural
23 Resources of the House of Representatives a report
24 on the results of each lease sale conducted under
25 this subsection, including—

1 (A) the level of competitive interest;

2 (B) a summary of bids and revenues re-
3 ceived; and

4 (C) any other factors that may have im-
5 pacted the lease sale.

6 (7) OTHER LAWS.—

7 (A) COMPLIANCE WITH LAND MANAGE-
8 MENT AND ENVIRONMENTAL LAWS.—In offer-
9 ing sites for lease under this subsection, the
10 Secretary concerned shall comply with—

11 (i) all Federal laws applicable to lands
12 under the administrative jurisdiction of the
13 Bureau of Land Management; and

14 (ii) Federal or State environmental
15 laws or any other relevant laws.

16 (B) APPLICABILITY TO WIND AND SOLAR
17 ENERGY PROJECTS UNDER OTHER FEDERAL
18 LAWS.—Nothing in this subsection shall be con-
19 strued so as to prohibit the Secretary from
20 issuing rights-of-way or special use permits with
21 respect to wind and solar energy projects in
22 compliance with other Federal laws and regula-
23 tions in effect on the date of the enactment of
24 this Act.

1 (8) ENFORCEMENT OF FEDERAL LAND POLICY
2 MANAGEMENT.—

3 (A) IN GENERAL.—Sections 302(c) and
4 303 of the Federal Land Policy and Manage-
5 ment Act of 1976 (43 U.S.C. 1732(c), 1733)
6 shall apply to activities conducted on sites on
7 covered land offered for lease under this sub-
8 section.

9 (B) EFFECT ON ENFORCEMENT AUTHOR-
10 ITY UNDER OTHER FEDERAL LAW.—Nothing in
11 this subsection shall be construed so as to re-
12 duce or limit the enforcement authority vested
13 in the Secretary or the Attorney General on
14 covered land under any other Federal law.

15 (b) TEMPORARY EXTENSION OF PILOT PROGRAM.—
16 Until final regulations are issued under subsection (c)(4),
17 the Secretary shall continue to carry out the pilot program
18 under subsection (a) on the sites offered for lease under
19 such subsection. The Secretary may extend any lease
20 issued for such sites under subsection (a) under the same
21 terms and conditions applicable to such lease on the date
22 of the lease sale as necessary until final regulations are
23 issued under subsection (c)(4) with respect to such sites.

24 (c) EXPANSION OF PILOT PROGRAM TO ALL COV-
25 ERED LAND.—

1 (1) JOINT DETERMINATION REQUIRED.—Not
2 later than 5 years after the date of the enactment
3 of this Act, the Secretary shall determine whether to
4 expand the pilot program established under sub-
5 section (a) to apply to all covered land, including
6 sites with respect to which leases were issued under
7 subsection (a). In making such determination, the
8 Secretary shall—

9 (A) take into consideration the results of
10 the pilot program;

11 (B) consult with—

12 (i) the heads of Federal agencies and
13 relevant State agencies (including State
14 fish and wildlife agencies);

15 (ii) interested States, Indian tribes,
16 and local governments;

17 (iii) representatives of the solar and
18 wind energy industries;

19 (iv) representatives of the environ-
20 ment, conservation, and outdoor sporting
21 communities; and

22 (v) the public; and

23 (C) consider whether such expansion—

24 (i) provides an effective means of de-
25 veloping wind or solar energy; and

1 (ii) is in the public interest.

2 (2) EXPANSION AUTHORIZED.—The Secretary
3 shall expand pilot program only if the Secretary de-
4 termined to expand the pilot program under para-
5 graph (1).

6 (3) REPORT ON JOINT DETERMINATION.—Not
7 later than 60 days after making the determination
8 under paragraph (1) to expand the pilot program,
9 the Secretary shall submit to the Committee on En-
10 ergy and Natural Resources of the Senate and the
11 Committee on Natural Resources of the House of
12 Representatives a report describing the basis and
13 findings for the determination.

14 (4) REGULATIONS TO IMPLEMENT EXPAN-
15 SION.—Not later than one year after making a de-
16 termination to expand the pilot program under para-
17 graph (1), the Secretary shall issue final regulations
18 to implement this subtitle.

19 (5) APPLICABILITY OF PROVISIONS OF PILOT
20 PROGRAM TO EXPANDED PROGRAM.—

21 (A) IN GENERAL.—Except as provided in
22 subparagraph (B), paragraphs (3), (7), and (8)
23 of subsection (a) shall apply to covered land of-
24 fered for lease under this subsection in the

1 same manner as such paragraphs apply to sites
2 offered for lease under subsection (a).

3 (B) COMPETITIVE LEASING NOT REQUIRED
4 UNDER CERTAIN CIRCUMSTANCES.—The re-
5 quirement under subsection (a)(3) that a lease
6 be sold on a competitive basis shall not apply
7 to a lease issued under this subsection if the
8 Secretary determines that—

9 (i) no competitive interest exists for
10 the covered land offered for lease;

11 (ii) the public interest would not be
12 served by the competitive issuance of a
13 lease with respect to such covered land; or

14 (iii) the lease is for a purpose de-
15 scribed in paragraph (7)(A)(ii).

16 (6) PAYMENTS.—

17 (A) IN GENERAL.—Subject to section 324,
18 the Secretary shall establish fees, bonuses, or
19 other payments (except rental payments) to en-
20 sure a fair return to the United States for any
21 lease issued under this subsection.

22 (B) BONUS BIDS.—The Secretary may
23 grant credit toward any bonus bid for a quali-
24 fied expenditure by the holder of a lease de-
25 scribed in paragraph (7)(A)(ii) in any competi-

1 tive lease sale held for a long-term lease of the
2 covered land that is the subject of the lease de-
3 scribed in such paragraph.

4 (C) READJUSTMENT.—

5 (i) IN GENERAL.—Royalties and other
6 terms and conditions of a lease issued
7 under this subsection shall be subject to
8 readjustment—

9 (I) on the date that is 15 years
10 after the date on which the lease is
11 issued; and

12 (II) every 10 years thereafter.

13 (ii) INDEXING.—Effective on the first
14 day of the first month beginning after the
15 date of enactment of this Act and each
16 year thereafter, the amount of royalties or
17 other terms and conditions subject to read-
18 justment under clause (i) shall be adjusted
19 to reflect changes for the 12-month period
20 ending on the most recent date for which
21 data are available in the Consumer Price
22 Index for All Urban Consumers published
23 by the Bureau of Labor Statistics of the
24 Department of Labor.

1 (7) LEASE DURATION, ADMINISTRATION, AND
2 READJUSTMENT.—

3 (A) DURATION.—

4 (i) IN GENERAL.—Except as provided
5 in clause (ii), a lease issued under this sub-
6 section shall be for—

7 (I) an initial term of 25 years;

8 and

9 (II) any additional period after
10 the initial 25-year term during which
11 electricity is being produced annually
12 in commercial quantities from the
13 lease.

14 (ii) DATA COLLECTION LEASES.—In
15 the case of a lease issued under this sub-
16 section for the placement and operation of
17 a meteorological or data collection facility
18 or for the development or demonstration of
19 a new wind or solar energy technology,
20 such lease shall have a term of not more
21 than 5 years.

22 (B) ADMINISTRATION.—The Secretary of
23 the Interior shall establish terms and conditions
24 for the issuance, transfer, renewal, suspension,

1 and cancellation of a lease issued under this
2 subsection.

3 (C) READJUSTMENT PROVISION RE-
4 QUIRED.—Each lease issued under this sub-
5 section shall provide for readjustment in ac-
6 cordance with subparagraph (A).

7 (8) SURFACE-DISTURBING ACTIVITIES.—The
8 Secretary shall issue regulations regarding surface-
9 disturbing activities conducted under any lease
10 issued under this subsection, including any reclama-
11 tion and other actions necessary to conserve and to
12 offset impacts to surface resources.

13 (9) SECURITY.—

14 (A) IN GENERAL.—The Secretary shall re-
15 quire that the holder of a lease issued under
16 this subsection—

17 (i) furnish a surety bond or other
18 form of security, as prescribed by the Sec-
19 retary;

20 (ii) provide for the reclamation and
21 restoration of the covered land that is the
22 subject of the lease; and

23 (iii) comply with such other require-
24 ments as the Secretary considers necessary

1 to protect the interests of the public and
2 the United States.

3 (B) PERIODIC REVIEW.—Not less fre-
4 quently than once every 5 years, the Secretary
5 shall conduct a review of the adequacy of the
6 surety bond or other form of security provided
7 by the holder of a lease issued under this sub-
8 section.

9 **SEC. 324. ROYALTIES.**

10 (a) IN GENERAL.—The Secretary shall require as a
11 term and condition of any lease issued under section 323,
12 the payment of a royalty. The Secretary shall establish
13 such royalty pursuant to a rulemaking. The royalty shall
14 be a percentage of the gross proceeds from the sale of elec-
15 tricity produced on covered land that is the subject of such
16 lease, at a rate that—

17 (1) encourages production of solar or wind en-
18 ergy;

19 (2) ensures a fair return to the public com-
20 parable to the return that would be obtained on
21 State or private land; and

22 (3) encourages the maximum energy generation
23 while disturbing the least quantity of covered land
24 and other natural resources, including water.

1 (b) CONSIDERATION.—In establishing the royalty
2 under subsection (a), the Secretary shall consider the rel-
3 ative capacity factors of wind and solar energy projects.

4 (c) EXCLUSIVE PAYMENT ON SALE OF ELEC-
5 TRICITY.—The royalty under subsection (a) shall be the
6 only rent, royalty, or similar payment to the Federal Gov-
7 ernment required with respect to the sale of electricity pro-
8 duced under a lease issued under section 323.

9 (d) ROYALTY RELIEF.—The Secretary may reduce
10 the royalty rate established under subsection (a) if the
11 holder of a lease issued under this Act shows by clear and
12 convincing evidence that—

13 (1) collection of the full royalty would unreason-
14 ably burden energy generation on covered land that
15 is the subject of the lease; and

16 (2) the royalty reduction is in the public inter-
17 est.

18 (e) ENFORCEMENT.—

19 (1) AUDITING SYSTEM.—The Secretary shall
20 establish a comprehensive inspection, collection, fis-
21 cal, and production accounting and auditing sys-
22 tem—

23 (A) to accurately determine royalties, in-
24 terest, fines, penalties, fees, deposits, and other
25 payments owed under this subtitle; and

1 (B) to collect and account for the pay-
2 ments in a timely manner.

3 (2) APPLICABILITY OF FEDERAL OIL AND ROY-
4 ALTY MANAGEMENT ACT OF 1982.—The provisions of
5 the Federal Oil and Gas Royalty Management Act
6 of 1982 (30 U.S.C. 1701 et seq.) (including the civil
7 and criminal enforcement provisions of such Act)
8 shall apply to leases issued under this subtitle with
9 respect to wind and solar energy projects in the
10 same manner as such provisions apply to oil and gas
11 leases.

12 (f) REPORT ON ROYALTIES.—Not later than 5 years
13 after the date of enactment of this Act and every 5 years
14 thereafter, the Secretary shall submit to the Committee
15 on Energy and Natural Resources of the Senate and the
16 Committee on Natural Resources of the House of Rep-
17 resentatives a report consisting of a review of the collec-
18 tions and impacts of the royalties and fees collected under
19 this subtitle, including—

20 (1) the total revenues received (by category) on
21 an annual basis as royalties from wind and solar en-
22 ergy development and production (specified by en-
23 ergy source) on covered land;

24 (2) whether the revenues received for the devel-
25 opment of wind and solar energy development are

1 comparable to the revenues received for similar de-
2 velopment on State or private land;

3 (3) any impact on the development of wind and
4 solar energy on covered land as a result of the royal-
5 ties; and

6 (4) any recommendations with respect to
7 changes in Federal law (including regulations) relat-
8 ing to the amount or method of collection (including
9 auditing, compliance, and enforcement) of the royal-
10 ties.

11 (g) REGULATIONS.—Not later than one year after the
12 date of the enactment of this Act, the Secretary shall issue
13 final regulations to carry out this section.

14 **SEC. 325. DISPOSITION OF ROYALTY REVENUE.**

15 (a) ALLOCATION OF REVENUE.—All amounts col-
16 lected by the Secretary as royalties or bonuses under sub-
17 section (a)(5) or (c)(6) of section 323 shall be distributed
18 as follows:

19 (1) 25 percent shall be paid by the Secretary of
20 the Treasury to States within the boundaries of
21 which the royalties or bonuses are derived, to be al-
22 located among such States based on the percentage
23 of covered land from which such royalties or bonuses
24 are derived in each State.

1 (2) 25 percent shall be paid by the Secretary of
2 the Treasury to the counties within the boundaries
3 of which the royalties or bonuses are derived, to be
4 allocated among such counties based on the percent-
5 age of covered land from which such royalties or bo-
6 nuses are derived in each county.

7 (3) 25 percent shall be deposited into the Fish
8 and Wildlife Restoration Fund established by sub-
9 section (b) and used in accordance with that sub-
10 section.

11 (4) For the period that begins on the date of
12 the enactment of this Act and ending on the date
13 that is 15 years after the date of the enactment of
14 this Act, 15 percent shall be paid by the Secretary
15 of the Treasury directly to the State offices of the
16 Bureau of Reclamation with jurisdiction over the
17 areas of which the royalties or bonuses are derived
18 for purposes of reducing the number of renewable
19 energy permits that have not been processed before
20 the date of the enactment of this Act, to be allocated
21 among such offices based on the percentage of cov-
22 ered land from which the royalties or bonuses are
23 derived in each State.

1 (5) The remainder shall be deposited into the
2 general fund of the Treasury for purposes of reduc-
3 ing the annual Federal budget deficit.

4 (b) FISH AND WILDLIFE RESTORATION FUND.—

5 (1) ESTABLISHMENT.—There is established in
6 the Treasury a Fish and Wildlife Restoration Fund
7 to be administered by the Secretary of the Interior
8 for use in regions impacted by the development of
9 hydropower by Federal agencies, including the Bu-
10 reau of Reclamation, and the development of wind or
11 solar energy on Bureau of Reclamation land.

12 (2) USE OF FUNDS.—The Secretary shall use
13 amounts in the Fund to take actions and to make
14 payments to State agencies, Federal agencies, or
15 other interested persons in such regions for—

16 (A) protecting and restoring important fish
17 and wildlife habitat and native populations in
18 such regions, including corridors, water re-
19 sources, and other sensitive land; and

20 (B) improving fish species habitat or na-
21 tive population within the boundaries and down-
22 stream of a Bureau of Reclamation project.

23 (3) AVAILABILITY OF AMOUNTS.—Amounts in
24 the Fund shall be available for expenditure, in ac-

1 cordance with this subsection, without further appro-
2 priation and without fiscal year limitation.

3 (4) INVESTMENT OF FUND.—

4 (A) IN GENERAL.—Any amounts deposited
5 in the Fund shall earn interest in an amount
6 determined by the Secretary of the Treasury on
7 the basis of the current average market yield on
8 outstanding marketable obligations of the
9 United States of comparable maturities.

10 (B) DEPOSIT.—Any interest earned under
11 subparagraph (A) shall be deposited into the
12 Fund.

13 (5) MITIGATION REQUIREMENTS.—The expend-
14 iture of funds under this subsection shall be sepa-
15 rate and distinct from any mitigation requirements
16 imposed pursuant to any law, regulation, or term or
17 condition of any lease, right-of-way, or other author-
18 ization.

19 (c) ALLOCATION FOR PERMITTING AFTER EXPIRA-
20 TION OF 15-YEAR PERIOD.—

21 (1) CERTIFICATION BY SECRETARY.—At the
22 end of the period described in subsection (a)(4), the
23 Secretary shall certify whether the State offices re-
24 ferred to in such subsection have adequately reduced

1 the renewable energy permitting backlog referred to
2 in such subsection.

3 (2) ALLOCATION AFTER CERTIFICATION.—If
4 the Secretary certifies under paragraph (1) that—

5 (A) the State offices referred to in such
6 paragraph have not adequately reduced the
7 backlog referred to in such paragraph—

8 (i) the period described in subsection
9 (a)(4) shall be extended by an additional
10 15-year period; and

11 (ii) payments shall continue to be
12 made during that period as described in
13 such subsection; or

14 (B) the State offices referred to in such
15 paragraph have adequately reduced such back-
16 log—

17 (i) two-thirds of the amount otherwise
18 required to be paid under subsection (a)(4)
19 shall be added to the amount deposited in
20 the Fund established under subsection (b);
21 and

22 (ii) one-third of such amount shall be
23 deposited into the general fund of the
24 Treasury for purposes of reducing the an-
25 nual Federal budget deficit.

1 (d) PAYMENTS TO STATES AND COUNTIES.—

2 (1) IN GENERAL.—Amounts paid to States and
3 counties under subsection (a) shall be used in a
4 manner that is consistent with section 35 of the
5 Mineral Leasing Act (30 U.S.C. 191).

6 (2) IMPACTS.—Not less than 35 percent of the
7 amount paid to a State each fiscal year shall be used
8 for the purposes described in subsection (b)(2).

9 **Subtitle D—Improved Reclamation**
10 **Crop Data**

11 **SEC. 331. DEFINITIONS.**

12 For the purposes of this subtitle:

13 (1) AGRICULTURAL WATER CONTRACT.—The
14 term “agricultural water contract” means any con-
15 tract or arrangement, including water service con-
16 tracts, repayment contracts, water rights settlement
17 contracts, exchange contracts, or other form of
18 agreement, through which agricultural users receive
19 water and deliveries through a facility owned, oper-
20 ated, or constructed in whole or in part by the Bu-
21 reau of Reclamation, including contracts under the
22 Reclamation Act of 1902 (ch.1093; 32 Stat. 388) as
23 amended and supplemented.

24 (2) DROUGHT EMERGENCY.—The term
25 “drought emergency” means a period when a state

1 of drought emergency declared by the Governor of
2 the State is in effect.

3 (3) **FEDERALLY DEVELOPED WATER SUP-**
4 **PLIES.**—The term “federally developed water sup-
5 plies” means water supplies derived from a project
6 developed by the Secretary pursuant to Federal law.

7 (4) **SECRETARY.**—The term “Secretary” means
8 the Secretary of the Interior, acting through the
9 Commissioner of the Bureau of Reclamation.

10 (5) **WATER-INTENSE PERMANENT CROP.**—The
11 term “water-intense permanent crop” means any
12 crop considered by the Secretary, after consultation
13 with the Secretary of Agriculture, to be
14 unsustainable for an area given its expected level of
15 rainfall in the absence of the federally developed
16 water supply.

17 **SEC. 332. DETERMINATION OF PLANTING OF WATER-IN-**
18 **TENSE PERMANENT CROPS.**

19 The Secretary shall survey agricultural water con-
20 tracts related to federally developed water supplies to de-
21 termine if water-intense permanent crops have been plant-
22 ed by or on behalf of the customers or beneficiaries of any
23 agricultural water contract during a drought emergency.
24 The survey shall include the examination of all such con-
25 tracts in effect at any time during the period from the

1 date of the enactment of this Act and until the date that
2 is 10 years before the date of the enactment of this Act.

3 **SEC. 333. REPORT RELATED TO WATER-INTENSE PERMA-**
4 **NENT CROPS.**

5 Not later than 90 days after the date of the enact-
6 ment of this Act, the Secretary shall submit a report based
7 on the survey conducted pursuant to section 331 and other
8 information available to the Secretary to Congress that in-
9 cludes—

10 (1) the number and location of acres put into
11 production of water-intense permanent crops during
12 a drought emergency;

13 (2) the types of water-intense permanent crops
14 put into production on each acre; and

15 (3) the impact that putting the water-intense
16 permanent crops into production had and is pro-
17 jected to have on the water demands for the agricul-
18 tural water contracts and federally developed water
19 supply related to those crops.

1 **Subtitle E—Improved Oversight of**
2 **State Injection Wells**

3 **SEC. 341. AMENDMENT TO THE SAFE DRINKING WATER**
4 **ACT.**

5 Section 1422 of the Safe Drinking Water Act (42
6 U.S.C. 300h–1) is amended by adding at the end the fol-
7 lowing new subsection:

8 “(f) For the purposes of subsection (c), if the Admin-
9 istrator finds that a State has, at any time, improperly
10 issued permits under the State’s underground injection
11 control program and the State fails to address such defi-
12 ciencies and take sufficient remedial action, as determined
13 by the Administrator, by the date that is 90 days after
14 the date on which the Administrator notifies the State of
15 such finding, the State shall be considered to no longer
16 meet the requirements of clause (i) or (ii) of subsection
17 (b)(1)(A) until such time as the State has addressed the
18 deficiencies and taken sufficient remedial action, as deter-
19 mined by the Administrator.”.

20 **Subtitle F—Combating Water Theft**
21 **for Illegal Marijuana Cultivation**

22 **SEC. 351. POLICY DIRECTIVE ON ILLEGAL WATER DIVER-**
23 **SION FOR MARIJUANA CULTIVATION.**

24 Not later than 90 days after the date of enactment
25 of this Act, the Director of National Drug Control Policy,

1 in collaboration with the Secretary of the Interior and the
2 Administrator of the Environmental Protection Agency,
3 shall determine the amount of water diverted for mari-
4 juana cultivation in each of the high intensity drug traf-
5 ficking areas (as designated under section 707 of the Of-
6 fice of National Drug Control Policy Reauthorization Act
7 of 1998 (21 U.S.C. 1706)) within the State of California
8 and other States with declared droughts.

9 **SEC. 352. ENVIRONMENTAL REPORTING REQUIREMENTS**
10 **FOR DOMESTIC CANNABIS ERADICATION**
11 **PROGRAM.**

12 Not later than 1 year after the date of enactment
13 of this Act, and annually thereafter, the Attorney General
14 shall require, as a condition of the receipt of any funds
15 under the Domestic Cannabis Eradication/Suppression
16 program of the Drug Enforcement Administration, or any
17 successor program thereto, a report from any participant
18 in such program containing information on the environ-
19 mental consequences of actions taken pursuant to pro-
20 gram participation. The Attorney General, in making any
21 determination to provide funding under the program, shall
22 take into account the information so reported.

23 **SEC. 353. TRESPASS MARIJUANA LOCATION REGISTRY.**

24 Not later than 180 days after the date of enactment
25 of this Act, the Attorney General shall establish and main-

1 tain a registry, in which reports received by the Attorney
2 General of incidents of cultivation of marijuana on Federal
3 or State property or while intentionally trespassing on the
4 property of another will be recorded and, to the extent
5 feasible, made available to the public.

6 **SEC. 354. FUNDING FOR REMEDIATION OF TRESPASS MARI-**
7 **JUANA SITES.**

8 (a) FROM FORFEITURE FUND.—Section
9 524(c)(1)(E)(ii) of title 28, United States Code, is amend-
10 ed—

11 (1) by striking “and” at the end of subclause
12 (I);

13 (2) by inserting “and” after the semicolon at
14 the end of subclause (II); and

15 (3) by inserting after subclause (II) the fol-
16 lowing:

17 “(III) costs incurred by or on behalf of any
18 State, local, or tribal government in connection
19 with the remediation of any area formerly used
20 for the production or cultivation of marijuana,
21 including the removal of any hazardous sub-
22 stance or pollutant or contaminant, in which
23 such State, local, or tribal government has as-
24 sisted in a federal prosecution related to mari-
25 juana;”.

1 (b) FROM RESTITUTION IN CRIMINAL CASES.—Sec-
2 tion 413(q) of the Controlled Substances Act (21 U.S.C.
3 853(q)) is amended—

4 (1) by striking “or methamphetamine” the first
5 place it appears and inserting “, methamphetamine,
6 or marijuana”; and

7 (2) by inserting after “or methamphetamine”
8 the second place it appears the following: “, or cul-
9 tivation of marijuana,”.

10 **SEC. 355. VOLUNTARY GUIDELINES.**

11 (a) ESTABLISHMENT OF VOLUNTARY GUIDELINES.—
12 Not later than 6 months after the date of enactment of
13 this Act, the Secretary of Agriculture (in this section re-
14 ferred to as the “Secretary”), in consultation with other
15 appropriate Federal agencies, including the Environ-
16 mental Protection Agency, shall establish voluntary guide-
17 lines, based on the best currently available scientific
18 knowledge—

19 (1) for the remediation of former indoor and
20 outdoor marijuana cultivation and processing sites,
21 including guidelines regarding preliminary site as-
22 sessment and the remediation of residual contami-
23 nants and ecosystems; and

24 (2) for State, local, and tribal governments to
25 use in developing and implementing laws, regula-

1 tions, guidelines, and other policies that apply the
2 best available research and technology to the remedi-
3 ation of former indoor and outdoor marijuana cul-
4 tivation and processing sites.

5 (b) CONSIDERATIONS.—In establishing the voluntary
6 guidelines under subsection (a), the Secretary shall con-
7 sider, at a minimum—

8 (1) relevant standards, guidelines, and require-
9 ments found in Federal, State, tribal, and local laws
10 and regulations;

11 (2) the various types and locations of former
12 marijuana cultivation or processing sites, including
13 both indoor and outdoor sites; and

14 (3) the estimated costs of carrying out any such
15 guidelines.

16 (c) CONSULTATION.—The Secretary shall work with
17 State, local, and tribal governments and other non-Federal
18 agencies and organizations the Secretary determines rel-
19 evant to promote and encourage the adoption of the vol-
20 untary guidelines.

21 (d) REVISIONS TO THE GUIDELINES.—The Secretary
22 shall periodically review and, as the Secretary, in consulta-
23 tion with State, local, and tribal governments and other
24 interested parties, determines necessary and appropriate,
25 revise the voluntary guidelines to incorporate findings of

1 the research conducted pursuant to section 356 and other
2 new knowledge.

3 **SEC. 356. RESEARCH PROGRAM.**

4 The Secretary of Agriculture, in consultation with
5 other appropriate Federal agencies, including the Environ-
6 mental Protection Agency, shall establish a program of re-
7 search to support the development and revision of the vol-
8 untary guidelines established under section 355. Such pro-
9 gram shall—

10 (1) identify marijuana cultivation or processing-
11 related chemicals of concern;

12 (2) assess the types and levels of exposure to
13 chemicals of concern identified under paragraph (1)
14 that may present significant adverse biological ef-
15 fects, and identify actions and additional research
16 necessary to remediate such biological effects;

17 (3) assess the impacts of marijuana cultivation
18 and processing on waterways and bodies of water,
19 and identify actions and additional research nec-
20 essary to remediate such impacts;

21 (4) evaluate the performance of current remedi-
22 ation techniques for marijuana cultivation and proc-
23 essing sites;

24 (5) identify areas where additional research is
25 necessary, including research relating to—

1 (A) the impacts of indoor and outdoor
2 marijuana cultivation and processing, including
3 biological and hydrological effects and impacts
4 to soil and landscape, such as the potential for
5 erosion; and

6 (B) the remediation of former indoor or
7 outdoor marijuana cultivation or processing
8 sites;

9 (6) support other research priorities identified
10 by the Secretary, in consultation with State, local,
11 and tribal governments and other interested parties;
12 and

13 (7) include collaboration with colleges and uni-
14 versities currently engaged in research on any mat-
15 ter described in this section or additional research
16 priorities determined appropriate by the Secretary.

17 **Subtitle G—SECURE Water**
18 **Amendments**

19 **SEC. 361. AUTHORIZED ACTIVITIES; ELIGIBILITY; AUTHOR-**
20 **IZATION OF APPROPRIATIONS.**

21 (a) IN GENERAL.—Section 9504 of the Omnibus
22 Public Land Management Act of 2009 (42 U.S.C. 10364)
23 is amended—

24 (1) in subsection (a)—

25 (A) in paragraph (1)(H)—

1 (i) in clause (i), by striking “or” at
2 the end;

3 (ii) in clause (ii), by striking the pe-
4 riod and inserting “; or”; and

5 (iii) by adding at the end the fol-
6 lowing:

7 “(iii) to plan for or address the im-
8 pacts of drought.”; and

9 (B) in paragraph (2)(A)—

10 (i) by striking “; and” and inserting
11 “; or”;

12 (ii) by striking “(A) be located within
13 the States” and inserting the following:

14 “(A) be located in—

15 “(i) the States”; and

16 (iii) by adding at the end the fol-
17 lowing:

18 “(ii) the State of Hawaii; and”; and

19 (2) in subsection (e), by striking “There is”
20 and all that follows through “\$200,000,000” and in-
21 sserting “There are authorized to be appropriated
22 such sums as are necessary to carry out this section
23 for each of fiscal years 2015 through 2023”.

1 **SEC. 362. AUTHORIZATION OF APPROPRIATIONS FOR NA-**
2 **TIONAL WATER AVAILABILITY AND USE AS-**
3 **SESSMENT PROGRAM.**

4 Section 9508(e)(2) of the Omnibus Public Land Man-
5 agement Act of 2009 (42 U.S.C. 10368(e)(2)) is amended
6 by striking “\$12,500,000 for the period of fiscal years
7 2009 through 2013” and inserting “such sums as are nec-
8 essary for the period of fiscal years 2014 through 2023”.

9 **Subtitle H—Refundable Tax Credit**
10 **for Water-Harvesting Systems**

11 **SEC. 371. REFUNDABLE TAX CREDIT FOR WATER-HAR-**
12 **VESTING SYSTEMS.**

13 (a) IN GENERAL.—Subpart C of part IV of sub-
14 chapter A of subtitle A of the Internal Revenue Code of
15 1986 is amended by inserting after section 36B the fol-
16 lowing new section:

17 **“SEC. 36C. WATER-HARVESTING SYSTEMS.**

18 “(a) IN GENERAL.—In the case of an individual,
19 there shall be allowed as a credit against the tax imposed
20 by this subtitle for any taxable year an amount equal to
21 the aggregate amount paid or incurred for the purchase
22 and installation of a qualified water-harvesting system.

23 “(b) LIMITATION.—The amount allowed as a credit
24 under subsection (a) shall not exceed the excess (if any)
25 of—

26 “(1) \$2,000, over

1 “(2) the amount allowed as a credit under sub-
2 section (a) for all prior taxable years.

3 “(c) QUALIFIED WATER-HARVESTING SYSTEM DE-
4 FINED.—For purposes of this section, the term ‘qualified
5 water-harvesting system’ means earthworks or passive
6 rain gardens, gutters, cisterns, tanks, and other systems
7 that meet the guidelines developed under subsection (d)
8 and that are installed in the United States with respect
9 to the principal place of abode of the taxpayer.

10 “(d) GUIDELINES.—The Secretary, in consultation
11 with the Administrator of the Environmental Protection
12 Agency, shall—

13 “(1) develop guidelines for the identification
14 and approval of qualified water-harvesting systems,
15 and

16 “(2) shall review and, if appropriate, update
17 such guidelines at least once every 6 years.

18 Such guidelines shall include the establishment and main-
19 tenance of performance criteria so that products, land-
20 scapes, and processes meet industry standards for water-
21 efficiency and water-capture. In developing and updating
22 guidelines under this subsection, the Secretary shall solicit
23 public comment.

1 “(e) REGULATIONS.—The Secretary shall prescribe
 2 such regulations or other guidance as may be necessary
 3 or appropriate to carry out subsection (a).”.

4 (b) CONFORMING AMENDMENTS.—

5 (1) Section 1324(b)(2) of title 31, United
 6 States Code, is amended by inserting “36C,” after
 7 “36B,”.

8 (2) The table of sections for subpart C of part
 9 IV of subchapter A of chapter 1 of the Internal Rev-
 10 enue Code of 1986 is amended by inserting after the
 11 item relating to section 36B the following new item:
 “Sec. 36C. Water-harvesting systems.”.

12 (c) EFFECTIVE DATE.—The amendments made by
 13 this section shall apply to taxable years beginning after
 14 the date of the enactment of this Act.

15 **Subtitle I—Funding for Construc-**
 16 **tion for Additional Project Ben-**
 17 **efits**

18 **SEC. 381. FUNDING FOR CONSTRUCTION FOR ADDITIONAL**
 19 **PROJECT BENEFITS.**

20 The Reclamation Safety of Dams Act of 1978 (43
 21 U.S.C. 509 et seq.) is amended—

22 (1) in section 3, by striking “Construction” and
 23 inserting “Except as provided in section 5, construc-
 24 tion”; and

25 (2) by inserting after section 5A the following:

1 “SEC. 5B. (a) Notwithstanding section 3, if the Sec-
2 retary determines that additional project benefits, such as
3 additional conservation storage capacity, are feasible and
4 not inconsistent with the purposes of this Act, the Sec-
5 retary is authorized to develop additional project benefits
6 through the construction of new or supplementary works
7 on a project in conjunction with the Secretary’s activities
8 under section 2 and subject to the conditions described
9 in the feasibility study, if—

10 “(1) the Secretary determines that developing
11 additional project benefits through the construction
12 of new or supplementary works on a project is likely
13 to promote more efficient management of water and
14 water-related facilities;

15 “(2) the feasibility study pertaining to addi-
16 tional project benefits has been authorized pursuant
17 to section 8 of the Federal Water Project Recreation
18 Act of 1965 (16 U.S.C. 460l–18); and

19 “(3) the Secretary determines, in advance of
20 funds being committed or expanded, that—

21 “(A) the project sponsor shall provide
22 funding for not less than 75 percent of project
23 costs;

24 “(B) the project shall generate environ-
25 mental enhancement, including increase water

1 deliveries for environmental flows or refuge
2 water supplies, that justify a non-reimbursable
3 Federal cost share of not more than 25 percent
4 and that a share of the increased water supply
5 made possible from expanded storage capacity
6 equal to the Federal cost share shall be made
7 available for such environmental purposes;

8 “(C) all of the estimated costs properly al-
9 locable to irrigation, power, and municipal
10 water supply or other miscellaneous purposes
11 are included in the non-Federal cost share;

12 “(D) any State cost identified shall be pro-
13 cured or committed by the State; and

14 “(E) the project sponsor shall complete a
15 feasibility study consistent with Bureau of Rec-
16 lamation requirements and report the findings
17 of that study to the Secretary.

18 “(b) If the project sponsor has a completed feasibility
19 study and the Secretary makes a finding of feasibility, the
20 Secretary is authorized to expend available appropriated
21 funds for construction of the project if—

22 “(1) in the determination of the Secretary an
23 analysis commensurate with risk has been performed
24 that demonstrates that—

1 “(A) financial feasibility or capability for
2 reimbursable project purposes and any remain-
3 ing non-reimbursable project purposes not being
4 funded by the maximum 25 percent Federal
5 cost-share; and

6 “(B) the costs of non-reimbursable project
7 purposes to be borne by the United States are
8 justified by the environmental enhancement, in-
9 cluding increase water deliveries for environ-
10 mental flows or refuge water supplies, and that
11 the Federal share of the project costs shall not
12 exceed 25 percent; and

13 “(2) any environmental document prepared by
14 the project sponsor is supplemented to address any
15 changes to the project that the Secretary determines
16 are necessary.”.

17 **TITLE IV—PLANNING FOR THE**
18 **FUTURE**

19 **Subtitle A—X-Prize for**
20 **Desalination Breakthroughs**

21 **SEC. 401. SHORT TITLE.**

22 This subtitle may be cited as the “Water Innovation
23 and Prize Competition Act of 2015”.

1 **SEC. 402. WATER TECHNOLOGY AWARD PROGRAM.**

2 (a) PROGRAM ESTABLISHED.—The Secretary of En-
3 ergy shall, in consultation with the Administrator of the
4 Environmental Protection Agency and the Secretary of the
5 Interior, working through the Bureau of Reclamation, es-
6 tablish a program to award prizes to eligible persons de-
7 scribed in subsection (b) for achievement in 1 or more of
8 the following applications of water technology:

9 (1) Demonstration of desalination of brackish
10 or sea water with significantly less energy than com-
11 mercially available reverse osmosis technology.

12 (2) Demonstration of portable or modular de-
13 salination units that can process 1 to 5,000,000 gal-
14 lons per day that could be deployed for temporary
15 emergency uses in coastal communities or commu-
16 nities with brackish ground water supplies.

17 (3) Demonstration of significant advantages
18 over commercially available reverse osmosis tech-
19 nology as determined by the board established under
20 subsection (c).

21 (b) ELIGIBLE PERSON.—An eligible person described
22 in this subsection is—

23 (1) an individual who is—

24 (A) a citizen or legal resident of the
25 United States; or

1 (B) a member of a group that includes
2 citizens or legal residents of the United States;

3 or

4 (2) an entity that is incorporated and maintains
5 its primary place of business in the United States.

6 (c) ESTABLISHMENT OF BOARD.—

7 (1) IN GENERAL.—The Secretary of Energy
8 shall establish a board to administer the program es-
9 tablished under subsection (a).

10 (2) MEMBERSHIP.—The board shall be com-
11 posed of not less than 15 and not more than 21
12 members appointed by the President, of whom—

13 (A) not less than 1 shall—

14 (i) be a representative of the interests
15 of academic, business, and nonprofit orga-
16 nizations; and

17 (ii) have expertise in—

18 (I) the field of water technology,
19 including desalination; or

20 (II) administering award com-
21 petitions; and

22 (B) not less than 1 shall be from each of—

23 (i) the Department of Energy;

24 (ii) the Environmental Protection
25 Agency;

1 (iii) the Bureau of Reclamation of the
2 Department of the Interior; and

3 (iv) the National Science Foundation.

4 (d) AWARDS.—Subject to the availability of appro-
5 priations, the board established under subsection (c) may
6 make awards under the program established under sub-
7 section (a) as follows:

8 (1) FINANCIAL PRIZE.—The board may hold a
9 financial award competition and award a financial
10 award in an amount determined before the com-
11 mencement of the competition to the first competitor
12 to meet such criteria as the board shall establish.

13 (2) RECOGNITION PRIZE.—

14 (A) IN GENERAL.—The board may recog-
15 nize an eligible person for superlative achieve-
16 ment in 1 or more applications described in
17 subsection (a).

18 (B) NO FINANCIAL REMUNERATION.—An
19 award under this paragraph shall not include
20 any financial remuneration.

21 (C) NATIONAL TECHNOLOGY AND INNOVA-
22 TION MEDAL RECOMMENDATIONS.—For each
23 eligible person recognized under this paragraph,
24 the board shall recommend to the Secretary of
25 Commerce that the Secretary recommend to the

1 President under section 16(b) of the Stevenson-
2 Wydler Technology Innovation Act of 1980 (15
3 U.S.C. 3711) that the President award the Na-
4 tional Technology and Innovation Medal estab-
5 lished under section 16(a) of such Act to such
6 eligible person.

7 (e) ADMINISTRATION.—

8 (1) CONTRACTING.—The board established
9 under subsection (c) may contract with a private or-
10 ganization to administer a financial award competi-
11 tion described in subsection (d)(1).

12 (2) SOLICITATION OF FUNDS.—A member of
13 the board or any administering organization with
14 which the board has a contract under paragraph (1)
15 may solicit gifts from private and public entities to
16 be used for a financial award under subsection
17 (d)(1).

18 (3) LIMITATION ON PARTICIPATION OF DO-
19 NORS.—The board may allow a donor who is a pri-
20 vate person described in paragraph (2) to participate
21 in the determination of criteria for an award under
22 subsection (d), but such donor may not solely deter-
23 mine the criteria for such award.

24 (4) NO ADVANTAGE FOR DONATION.—A donor
25 who is a private person described in paragraph (3)

1 shall not be entitled to any special consideration or
2 advantage with respect to participation in a financial
3 award competition under subsection (d)(1).

4 (f) INTELLECTUAL PROPERTY.—The Federal Gov-
5 ernment may not acquire an intellectual property right in
6 any product or idea by virtue of the submission of such
7 product or idea in any competition under subsection
8 (d)(1).

9 (g) LIABILITY.—The board established under sub-
10 section (c) may require a competitor in a financial award
11 competition under subsection (d)(1) to waive liability
12 against the Federal Government for injuries and damages
13 that result from participation in such competition.

14 (h) ANNUAL REPORT.—Each year, the board estab-
15 lished under subsection (c) shall submit to Congress a re-
16 port on the program established under subsection (a).

17 (i) AUTHORIZATION OF APPROPRIATIONS.—

18 (1) IN GENERAL.—There are authorized to be
19 appropriated sums for the program established
20 under subsection (a) as follows:

21 (A) For administration of prize competi-
22 tions under subsection (d), \$750,000 for each
23 fiscal year.

24 (B) For the awarding of a financial prize
25 award under subsection (d)(1), in addition to

1 any amounts received under subsection (e)(2),
2 \$2,000,000 for each fiscal year.

3 (2) AVAILABILITY.—Amounts appropriated pur-
4 suant to the authorization of appropriations under
5 paragraph (1) shall remain available until expended.

6 **Subtitle B—Drought Planning As-**
7 **sistance Through NRCS and**
8 **Reclamation**

9 **SEC. 411. DROUGHT PLANNING ASSISTANCE THROUGH**
10 **NRCS AND RECLAMATION.**

11 (a) IN GENERAL.—The Secretary of Agriculture, act-
12 ing through the Natural Resources Conservation Service,
13 in collaboration with the Secretary of the Interior, acting
14 through the Bureau of Reclamation, shall, upon request,
15 provide assistance to water or power delivery authorities,
16 including water districts and irrigation districts, that are
17 authorized under subtitle F of title IX of the Omnibus
18 Public Land Management Act of 2009 (42 U.S.C. 10362
19 et seq.) to receive financial assistance from the Bureau
20 of Reclamation, for the purposes of increasing water use
21 efficiency and providing on-farm assistance to address
22 water quantity and water quality conservation practices.

23 (b) TYPES OF ASSISTANCE.—Assistance under sub-
24 section (a) shall include—

25 (1) hydrological forecasting;

1 (2) assessment of water supply sources under
2 different water year classification types;

3 (3) identification of alternative water supply
4 sources;

5 (4) guidance on potential water transfer part-
6 ners;

7 (5) technical assistance regarding Federal and
8 State permits and contracts under the Act of Feb-
9 ruary 21, 1911 (36 Stat. 925, chapter 141) (com-
10 monly known as the “Warren Act”);

11 (6) installation of districtwide or on-farm water
12 efficiency and conservation technologies, including
13 behavioral water efficiency, system modernizations
14 (including leak repair and supervisory control and
15 data acquisition systems), and other technologies
16 that have been proven to provide improvements in
17 water use efficiency through verification by a third
18 party;

19 (7) technical assistance regarding emergency
20 provision of water supplies for critical health and
21 safety purposes; and

22 (8) activities carried out in conjunction with the
23 National Oceanic and Atmospheric Administration,
24 the National Integrated Drought Information Sys-
25 tem, and the State partners of the National Inte-

1 grated Drought Information System under the Na-
2 tional Integrated Drought Information System Act
3 of 2006 (15 U.S.C. 313d)—

4 (A) to collect and integrate key indicators
5 of drought severity and impacts; and

6 (B) to produce and communicate timely
7 monitoring and forecast information to local
8 and regional communities.

9 **Subtitle C—Drought Preparedness** 10 **for Fisheries**

11 **SEC. 421. DROUGHT PREPAREDNESS FOR FISHERIES.**

12 (a) SALMON DROUGHT PLAN.—Not later than Janu-
13 ary 1, 2016, the Director of the United States Fish and
14 Wildlife Service shall, in consultation with the National
15 Marine Fisheries Service, the Bureau of Reclamation, the
16 Army Corps of Engineers, and the California Department
17 of Fish and Wildlife, prepare a California salmon drought
18 plan. The plan shall investigate options to protect salmon
19 populations originating in the State of California, con-
20 tribute to the recovery of populations listed under the En-
21 dangered Species Act of 1973 (16 U.S.C. 1531 et seq.),
22 and contribute to the goals of the Central Valley Project
23 Improvement Act (Public Law 102–575). The plan shall
24 focus on actions that can aid salmon populations during
25 the driest years. Strategies investigated shall include—

1 (1) relocating the release location and timing of
2 hatchery fish to avoid predation and temperature
3 impacts;

4 (2) barging of hatchery release fish to improve
5 survival and reduce straying;

6 (3) coordinating with water users, the Bureau
7 of Reclamation, and the California Department of
8 Water Resources regarding voluntary water trans-
9 fers, to determine if water released upstream to
10 meet the needs of downstream or South-of-Delta
11 water users can be managed in a way that provides
12 additional benefits for salmon;

13 (4) hatchery management modifications, such
14 as expanding hatchery production of listed fish dur-
15 ing the driest years, if appropriate;

16 (5) increasing rescue operations of upstream
17 migrating fish; and

18 (6) improving temperature modeling and related
19 forecasted information to predict water management
20 impacts to salmon and salmon habitat with a higher
21 degree of accuracy than current models.

22 (b) COORDINATION WITH FISHERIES AGENCIES.—In
23 preparing the plan under subsection (a), the Director shall
24 coordinate with the National Marine Fisheries Service and
25 relevant State agencies.

1 (c) APPROPRIATION.—There is hereby appropriated
2 for fiscal year 2014, out of any funds in the Treasury not
3 otherwise appropriated, a total amount of \$3,000,000, to
4 remain available until the end of the period during which
5 the State’s emergency drought designation is in effect, for
6 the United States Fish and Wildlife Service for urgent
7 fish, stream, and hatchery activities related to extreme
8 drought conditions, including work with the National Ma-
9 rine Fisheries Service, the Bureau of Reclamation, the
10 Army Corps of Engineers, the California Department of
11 Fish and Wildlife, or a qualified tribal government.

12 (d) QUALIFIED TRIBAL GOVERNMENT DEFINI-
13 TION.—For the purposes of this section, the term “quali-
14 fied tribal government” means any government of an In-
15 dian tribe that the Secretary of the Interior determines—

16 (1) is involved in salmon management and re-
17 covery activities including under the Endangered
18 Species Act of 1973 (16 U.S.C. 1531 et seq.); and

19 (2) has the management and organizational ca-
20 pability to maximize the benefits of assistance pro-
21 vided under this section.

1 **Subtitle D—National Emergency**
2 **Planning Response**

3 **SEC. 431. NATIONAL EMERGENCY PLANNING RESPONSE.**

4 (a) **CATASTROPHIC DROUGHT PLAN.**—Not later than
5 120 days after the date of enactment of this Act, the
6 President shall update the National Response Plan and
7 the National Disaster Recovery Framework to include a
8 plan for catastrophic drought that calls on the capabilities
9 of all applicable Federal agencies and departments, includ-
10 ing the pre-positioning of Federal resources to provide
11 emergency clean water supplies.

12 (b) **DEFINITIONS.**—For the purposes of this sec-
13 tion—

14 (1) the term “National Response Plan” means
15 the National Response Plan or any successor plan
16 prepared under section 504(a)(6) of the Homeland
17 Security Act of 2002 (6 U.S.C. 314(a)(6)); and

18 (2) the term “National Disaster Recovery
19 Framework” means the National Disaster Recovery
20 Framework or any successor document prepared
21 under section 682 of the Post-Katrina Emergency
22 Management Reform Act of 2006 (6 U.S.C. 771).

1 **Subtitle E—Military Preparedness**
2 **for Desalination**

3 **SEC. 441. REPORT ON DESALINIZATION TECHNOLOGY.**

4 Not later than 90 days after the date of enactment
5 of this Act, the Secretary of the Navy shall submit to Con-
6 gress a report on desalinization technology's application
7 for defense and national security purposes to provide
8 drought relief to areas impacted by sharp declines in water
9 supply.

○