

**AMENDMENT TO THE COMMITTEE PRINT FOR
H.R. 212
OFFERED BY MR. TONKO OF NEW YORK**

After section 2, add the following new section:

1 **SEC. 3. REAUTHORIZATION OF DRINKING WATER STATE**
2 **REVOLVING FUND.**

3 (a) REFERENCES.—Except as otherwise specified,
4 whenever in this section an amendment is expressed in
5 terms of an amendment to a section or other provision,
6 the reference shall be considered to be made to a section
7 or other provision of the Safe Drinking Water Act (42
8 U.S.C. 300f et seq.).

9 (b) TECHNICAL ASSISTANCE FOR SMALL PUBLIC
10 WATER SYSTEMS.—Subsection (e) of section 1442 (42
11 U.S.C. 300j–1(e)) is amended to read as follows:

12 “(e) TECHNICAL ASSISTANCE.—

13 “(1) IN GENERAL.—The Administrator, directly
14 or through grants or cooperative agreements with
15 nonprofit organizations, may provide technical as-
16 sistance to small public water systems to enable such
17 systems to achieve and maintain compliance with ap-
18 plicable national primary drinking water regulations.

1 “(2) TYPES OF ASSISTANCE.—Technical assist-
2 ance under paragraph (1) may include onsite tech-
3 nical assistance and compliance assistance; circuit-
4 rider and multi-State regional technical assistance
5 programs; training; assistance with implementing
6 source water protection programs; engineering as-
7 sistance provided without cost to the system through
8 volunteer programs or educational programs; assist-
9 ance with increasing water or energy efficiency; as-
10 sistance with designing, installing, or operating sus-
11 tainable energy infrastructure to produce or capture
12 sustainable energy on site or through water trans-
13 port; assistance with developing technical, financial,
14 and managerial capacity; assistance with long-term
15 infrastructure planning; assistance with applying for
16 funds from a State loan fund under section 1452;
17 and assistance with implementation of monitoring
18 plans, rules, regulations, and water security en-
19 hancements.

20 “(3) PRIORITY.—In providing assistance under
21 this subsection, the Administrator shall give priority
22 to assistance that will promote compliance with na-
23 tional primary drinking water standards, public
24 health protection, and long-term sustainability of
25 small public water systems. In awarding grants and

1 cooperative assistance under paragraph (1) to non-
2 profit organizations, the Administrator shall (subject
3 to the preceding sentence) give greater weight to
4 nonprofit organizations that, as determined by the
5 Administrator, are most qualified and most effective
6 and that, as determined by the Administrator using
7 information where available, are providing the types
8 of technical assistance that are preferred by small
9 public water systems.

10 “(4) COMPETITIVE PROCEDURES.—It is the
11 presumption of Congress that any award of assist-
12 ance under this subsection will be awarded using
13 competitive procedures based on merit. If assistance
14 is awarded under this subsection using procedures
15 other than competitive procedures, the Adminis-
16 trator shall submit to the Congress, within 90 days
17 of the award decision, a report explaining why com-
18 petitive procedures were not used.

19 “(5) FUNDING.—

20 “(A) AUTHORIZATION OF APPROPRIA-
21 TIONS.—There is authorized to be appropriated
22 to carry out this subsection \$20,000,000 for
23 each of fiscal years 2016 through 2019.

24 “(B) PROHIBITION ON EARMARKS.—No
25 funds made available under this subsection may

1 be used to carry out a provision or report lan-
2 guage included primarily at the request of a
3 Member, Delegate, Resident Commissioner, or
4 Senator providing, authorizing, or recom-
5 mending a specific amount of discretionary
6 budget authority, credit authority, or other
7 spending authority for a contract, loan, loan
8 guarantee, grant, loan authority, or other ex-
9 penditure with or to an entity, or targeted to a
10 specific State, locality, or congressional district,
11 other than through a statutory or administra-
12 tive formula-driven or competitive award proc-
13 ess.

14 “(C) LOBBYING EXPENSES.—No portion of
15 any State loan fund established under section
16 1452 and no portion of any funds made avail-
17 able under this subsection may be used for lob-
18 bing expenses.

19 “(D) INDIAN TRIBES.—Of the total
20 amount made available under this section for
21 each fiscal year, 3 percent shall be used for
22 technical assistance to public water systems
23 owned or operated by Indian Tribes.”.

24 (e) PREVAILING WAGES.—Subsection (e) of section
25 1450 (42 U.S.C. 300j–9) is amended to read as follows:

1 “(e) LABOR STANDARDS.—

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

17 “(2) AUTHORITY OF SECRETARY OF LABOR.—
18 With respect to the labor standards specified in this
19 subsection, the Secretary of Labor shall have the au-
20 thority and functions established in Reorganization
21 Plan Numbered 14 of 1950 (5 U.S.C. App.) and sec-
22 tion 3145 of title 40, United States Code.”.

23 (d) USE OF FUNDS.—Section 1452(a)(2) (42 U.S.C.
24 300j-12(a)(2)) is amended—

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

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

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

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

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

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

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

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

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

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

20 (6) in subparagraph (B) (as designated by
21 paragraph (2)) by striking “(not” and inserting
22 “(including expenditures for planning, design, siting,
23 and associated preconstruction activities, for replac-
24 ing or rehabilitating aging treatment, storage, or
25 distribution facilities of public water systems, or for

1 producing or capturing sustainable energy on site or
2 through the transportation of water through the
3 public water system, but not”; and

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

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

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

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

20 (e) REQUIREMENTS FOR USE OF AMERICAN MATE-
21 RIALS.—Section 1452(a) (42 U.S.C. 300j–12(a)) is
22 amended by adding at the end the following new para-
23 graph:

24 “(4) REQUIREMENTS FOR USE OF AMERICAN
25 MATERIALS.—

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

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

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

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

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

23 “(C) WAIVER.—If the Administrator re-
24 ceives a request for a waiver under this section,
25 the Administrator shall—

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

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

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

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

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

1 (f) DATA ON VARIANCES, EXEMPTIONS, AND PER-
2 SISTENT VIOLATIONS.—Section 1452(b)(2) (42 U.S.C.
3 300j–12(b)(2)) is amended—

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

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

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

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

17 “(i) the national primary drinking
18 water regulation in question for each such
19 exemption, variance, or violation; and

20 “(ii) the date on which the exemption
21 or variance came into effect or the viola-
22 tion began.”.

23 (g) PRIORITY AND WEIGHT OF APPLICATIONS.—

24 (1) PRIORITY.—Section 1452(b)(3) (42 U.S.C.
25 300j–12(b)(3)) is amended—

1 (A) in subparagraph (A)—

2 (i) in clause (ii), by striking “and” at
3 the end;

4 (ii) in clause (iii), by striking the pe-
5 riod at the end and inserting “; and”; and

6 (iii) by adding at the end the fol-
7 lowing:

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

12 (B) by redesignating subparagraph (B) as
13 subparagraph (D);

14 (C) by inserting after subparagraph (A)
15 the following:

16 “(B) AFFORDABILITY OF NEW STAND-
17 ARDS.—For any year in which enforcement be-
18 gins for a new national primary drinking water
19 standard, each State that has entered into a
20 capitalization agreement pursuant to this sec-
21 tion shall evaluate whether capital improve-
22 ments required to meet the standard are afford-
23 able for disadvantaged communities in the
24 State. If the State finds that such capital im-
25 provements do not meet affordability criteria

1 for disadvantaged communities in the State, the
2 State's intended use plan shall provide that pri-
3 ority for the use of funds for such year be given
4 to public water systems affected by the stand-
5 ard and serving disadvantaged communities.

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

12 “(i) a description of measures under-
13 taken by the system to improve the man-
14 agement and financial stability of the sys-
15 tem, which may include—

16 “(I) an inventory of assets, in-
17 cluding a description of the condition
18 of the assets;

19 “(II) a schedule for replacement
20 of assets;

21 “(III) an audit of water losses;

22 “(IV) a financing plan that fac-
23 tors in all lifecycle costs indicating
24 sources of revenue from ratepayers,

1 grants, bonds, other loans, and other
2 sources to meet the costs; and

3 “(V) a review of options for re-
4 structuring;

5 “(ii) a demonstration of consistency
6 with State, regional, and municipal water-
7 shed plans;

8 “(iii) a water conservation plan con-
9 sistent with guidelines developed for such
10 plans by the Administrator under section
11 1455(a); and

12 “(iv) a description of measures under-
13 taken by the system to improve the effi-
14 ciency of the system or reduce the system’s
15 environmental impact, which may in-
16 clude—

17 “(I) water efficiency or conserva-
18 tion, including the rehabilitation or re-
19 placement of existing leaking pipes;

20 “(II) use of reclaimed water;

21 “(III) actions to increase energy
22 efficiency;

23 “(IV) actions to generate or cap-
24 ture sustainable energy on site or

1 through the transportation of water
2 through the system;

3 “(V) actions to protect source
4 water;

5 “(VI) actions to mitigate or pre-
6 vent corrosion, including design, selec-
7 tion of materials, selection of coating,
8 and cathodic protection; and

9 “(VII) actions to reduce disinfec-
10 tion byproducts.”; and

11 (D) in subparagraph (D) (as redesignated
12 by subparagraph (B)) by striking “periodically”
13 and inserting “at least biennially”.

14 (2) GUIDANCE.—Section 1452 (42 U.S.C.
15 300j–12) is amended—

16 (A) by redesignating subsection (r) as sub-
17 section (t); and

18 (B) by inserting after subsection (q) the
19 following:

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

1 (h) DISADVANTAGED COMMUNITIES.—

2 (1) ASSISTANCE TO INCREASE COMPLIANCE.—

3 Section 1452(b)(3) (42 U.S.C. 300j–12(b)(3)), as
4 amended, is further amended by adding at the end
5 the following:

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

16 (2) ASSISTANCE FOR DISADVANTAGED COMMU-
17 NITIES.—Section 1452(d) (42 U.S.C. 300j–12(d)) is
18 amended—

19 (A) in paragraph (1), by adding at the end
20 the following: “Such additional subsidization
21 shall directly and primarily benefit the dis-
22 advantaged community.”; and

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

1 (3) AFFORDABILITY CRITERIA.—Section
2 1452(d)(3) is amended by adding at the end: “Each
3 State that has entered into a capitalization agree-
4 ment pursuant to this section shall, in establishing
5 affordability criteria, consider, solicit public com-
6 ment on, and include as appropriate—

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

9 “(B) a description of the institutional, reg-
10 ulatory, financial, tax, or legal factors at the
11 Federal, State, or local level that affect identi-
12 fied affordability criteria; and

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

17 (i) ADMINISTRATION OF STATE LOAN FUNDS.—Sec-
18 tion 1452(g) (42 U.S.C. 300j–12(g)) is amended—

19 (1) in paragraph (2)—

20 (A) in the first sentence, by striking “up
21 to 4 percent of the funds allotted to the State
22 under this section” and inserting “, for each
23 fiscal year, an amount that does not exceed the
24 sum of the amount of any fees collected by the
25 State for use in covering reasonable costs of ad-

1 ministration of programs under this section, re-
2 gardless of the source, and an amount equal to
3 the greatest of \$400,000, $\frac{1}{5}$ of one percent of
4 the current valuation of the State loan fund, or
5 6 percent of all grant awards to the State loan
6 fund under this section for the fiscal year.”;

7 (B) by striking “1419,” and all that fol-
8 lows through “1993.” and inserting “1419.”;
9 and

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

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

14 “(5) TRANSFER OF FUNDS.—

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

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

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

21 “(II) 33 percent of a capitaliza-
22 tion grant made under section 601 of
23 the Federal Water Pollution Control
24 Act; and

1 “(ii) add the funds so reserved to any
2 funds provided to the State under this sec-
3 tion or section 601 of the Federal Water
4 Pollution Control Act.

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

11 (j) STATE REVOLVING LOAN FUNDS FOR AMERICAN
12 SAMOA, NORTHERN MARIANA ISLANDS, GUAM, AND THE
13 VIRGIN ISLANDS.—Section 1452(j) (42 U.S.C. 300j–
14 12(j)) is amended by striking “0.33 percent” and insert-
15 ing “1 percent”.

16 (k) AUTHORIZATION OF APPROPRIATIONS.—Sub-
17 section (m) of section 1452 (42 U.S.C. 300j–12) is amend-
18 ed to read as follows:

19 “(m) AUTHORIZATION OF APPROPRIATIONS.—

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

22 “(A) \$1,200,000,000 for fiscal year 2016;

23 “(B) \$1,400,000,000 for fiscal year 2017;

24 and

25 “(C) \$1,600,000,000 for fiscal year 2018.

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

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

10 (l) BEST PRACTICES FOR ADMINISTRATION OF
11 STATE REVOLVING LOAN FUND PROGRAMS.—Section
12 1452 of the Safe Drinking Water Act (42 U.S.C. 300j-
13 12) is amended by inserting after subsection (r), as added
14 by subsection (g), the following:

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

17 “(1) collect information from States on admin-
18 istration of State programs with respect to State
19 loan funds, including—

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

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

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

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

6 “(2) not later than 3 years after the date of en-
7 actment of this subsection, disseminate to the States
8 best practices for administration of such programs,
9 based on the information collected pursuant to this
10 subsection; and

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

13 (m) WATER LOSS AND LEAK CONTROL TECH-
14 NOLOGY.—Part E of the Safe Drinking Water Act (42
15 U.S.C. 300j et seq.) is amended by adding after section
16 1459 (as added by section 2 of this Act) the following sec-
17 tion:

18 **“SEC. 1460. WATER LOSS AND LEAK CONTROL TECH-**
19 **NOLOGY.**

20 “The Administrator shall—

21 “(1) not later than 5 years after the date of en-
22 actment of this section, develop criteria for effective
23 water loss and leak control technology to be used by
24 water systems; and

1 “(2) implement a program through which a
2 manufacturer of such technology may apply, on a
3 voluntary basis, for certification of compliance with
4 such criteria.”.

