

Union Calendar No. 247

104TH CONGRESS
2^D SESSION

H. R. 2747

[Report No. 104-5151]

A BILL

To direct the Administrator of the Environmental Protection Agency to make grants to States for the purpose of financing the construction, rehabilitation, and improvement of water supply systems, and for other purposes.

MARCH 29, 1996

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

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[Report No. 104-515]

To direct the Administrator of the Environmental Protection Agency to make grants to States for the purpose of financing the construction, rehabilitation, and improvement of water supply systems, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 7, 1995

Mr. SHUSTER (for himself, Mr. OBERSTAR, Mr. BOEHLERT, Mr. BORSKI, Mr. CLINGER, Mr. RAHALL, Mr. PETRI, Mr. LIPINSKI, Mr. WISE, Mr. TRAFICANT, Mr. HAYES, Mr. COBLE, Mr. ZELIFF, Mr. COSTELLO, Mr. POSHARD, Mr. HUTCHINSON, Mr. CRAMER, Mr. BAKER of California, Miss COLLINS of Michigan, Ms. NORTON, Mr. HORN, Mr. FRANKS of New Jersey, Ms. DANNER, Mr. BLUTE, Mr. QUINN, Mrs. FOWLER, Mr. BARCIA, Mr. EHLERS, Mr. BACHUS, Mr. TUCKER, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. WAMP, Mr. BREWSTER, Mr. LATHAM, Mr. LATOURETTE, Mr. MASCARA, Mrs. SEASTRAND, Mr. LAHOOD, Mr. MARTINI, and Mr. McHALE) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

MARCH 29, 1996

Additional sponsors: Mrs. KELLY, Mr. CLYBURN, Mr. YOUNG of Alaska, Mr. MINGE, and Mr. WELLER

MARCH 29, 1996

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italie*]

[For text of introduced bill, see copy of bill as introduced on December 7, 1995]

A BILL

To direct the Administrator of the Environmental Protection Agency to make grants to States for the purpose of financing the construction, rehabilitation, and improvement of water supply systems, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the “Water Supply Infra-*
5 *structure Assistance Act of 1996”.*

6 **SEC. 2. PURPOSES.**

7 *The purposes of this Act are as follows:*

8 (1) *To provide grants for establishment of State*
9 *revolving funds for the purpose of providing financial*
10 *and technical assistance for the construction, rehabili-*
11 *tation, and improvement of water supply systems, in-*
12 *cluding treatment to remove pollutants from navi-*
13 *gable waters for the purpose of making such waters*
14 *usable by water supply systems and for source water*
15 *quality protection programs.*

16 (2) *To provide for administrative efficiencies*
17 *through implementation of this Act relying on exist-*
18 *ing mechanisms of State water pollution control re-*
19 *volving loan fund programs established pursuant to*
20 *title VI of the Federal Water Pollution Control Act.*

1 **SEC. 3. LIMITATION ON STATUTORY CONSTRUCTION.**

2 *Nothing in this Act shall be construed as affecting the*
3 *requirements of title XIV of the Public Health Service Act*
4 *(42 U.S.C. 300f–300j–9), commonly referred to as the Safe*
5 *Drinking Water Act.*

6 **SEC. 4. DEFINITIONS.**

7 *In this Act, the following definitions apply:*

8 (1) *ADMINISTRATOR.*—*The term “Adminis-*
9 *trator” means the Administrator of the Environ-*
10 *mental Protection Agency.*

11 (2) *DISADVANTAGED COMMUNITY.*—*The term*
12 *“disadvantaged community” means the service area*
13 *of a water supply system with respect to which the*
14 *average annual residential charges for a user of the*
15 *water supply system meet affordability criteria estab-*
16 *lished by the State in which the water supply system*
17 *is located (after providing for public review and com-*
18 *ment) in accordance with guidelines to be established*
19 *by the Administrator, in cooperation with the States.*

20 (3) *INDIAN TRIBE.*—*The term “Indian tribe” has*
21 *the meaning such term has under section 518 of the*
22 *Federal Water Pollution Control Act and includes*
23 *Alaska Native Villages and former Indian reserva-*
24 *tions in Oklahoma.*

1 (4) *SMALL WATER SUPPLY SYSTEM.*—The term
2 “small water supply system” means a water supply
3 system that serves a population of 10,000 or fewer.

4 (5) *STATE.*—The term “State” means a State,
5 the District of Columbia, the Commonwealth of Puer-
6 to Rico, the Virgin Islands, Guam, American Samoa,
7 the Commonwealth of the Northern Mariana Islands,
8 and the Trust Territory of the Pacific Islands.

9 (6) *WATER SUPPLY SYSTEM.*—The term “water
10 supply system” means a system for the provision to
11 the public of piped water for human consumption if
12 such system has at least 15 service connections or reg-
13 ularly serves at least 25 individuals and a draw and
14 fill system for the provision to the public of water for
15 human consumption. Such term does not include a
16 for-profit system that has fewer than 15 service con-
17 nections used by year-round residents of the area
18 served by the system or a for-profit system that regu-
19 larly serves fewer than 25 year-round residents and
20 does not include a system owned by a Federal agency.
21 Such term includes (A) any collection, treatment,
22 storage, and distribution facilities under control of
23 the operator of such system and used primarily in
24 connection with such system, and (B) any collection

1 *or pretreatment facilities not under such control that*
2 *are used primarily in connection with such system.*

3 **SEC. 5. GRANTS TO STATES.**

4 *Subject to the provisions of this Act, the Administrator*
5 *shall make grants to each State for the purpose of establish-*
6 *ing a water supply infrastructure account in the State*
7 *water pollution control revolving loan fund programs estab-*
8 *lished pursuant to title VI of the Federal Water Pollution*
9 *Control Act, if any, to provide assistance (1) for the con-*
10 *struction, rehabilitation, and improvement of water supply*
11 *systems, and (2) consistent with nonpoint source manage-*
12 *ment programs established under section 319 of the Federal*
13 *Water Pollution Control Act, for source water quality pro-*
14 *tection programs to address pollutants in navigable waters*
15 *for the purpose of making such waters usable by water sup-*
16 *ply systems.*

17 **SEC. 6. GRANT AGREEMENTS.**

18 *(a) GENERAL RULE.—To receive a grant with funds*
19 *made available under section 13, a State shall enter into*
20 *an agreement with the Administrator which shall include,*
21 *but not be limited to, the specifications set forth in sub-*
22 *section (b) of this section.*

23 *(b) SPECIFIC REQUIREMENTS.—The Administrator*
24 *shall enter into an agreement under this section with a*

1 *State only after the State has established to the satisfaction*
2 *of the Administrator that—*

3 *(1) the State will accept grant payments with*
4 *funds to be made available under this Act and will*
5 *deposit all such payments in the water supply infra-*
6 *structure account established by the State in accord-*
7 *ance with this Act;*

8 *(2) if the State has a water pollution control re-*
9 *volving fund established in accordance with title VI*
10 *of the Federal Water Pollution Control Act, the State*
11 *will establish the water supply infrastructure account*
12 *as a separate account in such fund;*

13 *(3) the State will deposit in the water supply in-*
14 *frastructure account from State moneys an amount*
15 *equal to at least 20 percent of the total amount of all*
16 *grants which will be made to the State with funds to*
17 *be made available under section 13 on or before (A)*
18 *the date on which each grant payment will be made*
19 *to the State under this Act (other than sections 14*
20 *and 15), or (B) September 30, 1998, in the case of*
21 *grant payments made from funds appropriated for*
22 *fiscal years 1995, 1996, and 1997;*

23 *(4) the State will enter into binding commit-*
24 *ments to provide assistance in accordance with this*
25 *Act in an amount equal to 120 percent of the amount*

1 of each such grant payment within 1 year after the
2 receipt of such grant payment;

3 (5) the State will not make available any assist-
4 ance from the account unless the State has first deter-
5 mined that the applicant—

6 (A) has adopted or will adopt a system of
7 charges, policies, and procedures to ensure that
8 recipients of financial assistance from the ac-
9 count are reasonably likely to repay the assist-
10 ance and will have adequate resources to pay the
11 cost of operation and maintenance (including re-
12 placement) of the water supply system; and

13 (B) has or will have legal, institutional,
14 technical, managerial, and financial capability
15 to ensure adequate construction, operation, and
16 maintenance of water supply systems throughout
17 the applicant's jurisdiction;

18 (6) the State will take such action as may be
19 necessary to ensure that construction, rehabilitation,
20 and improvement of a water supply system under-
21 taken with funds directly made available by grants
22 under section 5 are carried out in the most cost-effec-
23 tive manner, as determined by the State;

24 (7) the State will take such action as may be
25 necessary to ensure that, after construction, rehabili-

1 *tation, and improvement of a water supply system*
2 *undertaken with funds directly made available by*
3 *grants under section 5, such system will provide*
4 *water supply services at the most economical cost, in-*
5 *cluding consideration of water conservation measures,*
6 *as determined by the applicant; and*

7 *(8) the State will make annual reports to the Ad-*
8 *ministrator on the actual use of funds in accordance*
9 *with section 606(d) of the Federal Water Pollution*
10 *Control Act.*

11 ***SEC. 7. INCORPORATION OF FWPCA BY REFERENCE.***

12 *(a) GENERAL RULE.—The provisions of title VI of the*
13 *Federal Water Pollution Control Act shall apply as pro-*
14 *vided in this Act to accounts established by States under*
15 *this Act. For purposes of this Act, any reference to the Fed-*
16 *eral Water Pollution Control Act and to any section thereof*
17 *shall be treated as a reference to such Act or section as in*
18 *effect on the date of the enactment of this Act.*

19 *(b) TYPES OF ASSISTANCE.—*

20 *(1) IN GENERAL.—Section 603(d) of the Federal*
21 *Water Pollution Control Act shall apply to accounts*
22 *established by States under this Act to the same extent*
23 *and in the same manner as such section applies to*
24 *water pollution control revolving funds under such*
25 *Act.*

1 (2) *EXCEPTIONS FOR DISADVANTAGED COMMU-*
2 *NITIES.—*

3 (A) *TERM OF LOAN.—Notwithstanding*
4 *paragraph (1), the repayment period referred to*
5 *in section 603(d)(1)(A) of the Federal Water Pol-*
6 *lution Control Act for a loan made from a State*
7 *water supply infrastructure account to a dis-*
8 *advantaged community shall be the lesser of 40*
9 *years or the expected life of the project to be fi-*
10 *nanced with the proceeds of the loan and the*
11 *date for full loan amortization referred to in sec-*
12 *tion 603(d)(1)(B) of such Act shall be the date*
13 *of the expiration of the term of the loan.*

14 (B) *NEGATIVE INTEREST RATES.—In any*
15 *case in which the State is making a loan from*
16 *its water supply infrastructure account to a dis-*
17 *advantaged community, the State may charge a*
18 *negative annual interest rate of not to exceed 2*
19 *percent to reduce the unpaid principal of the*
20 *loan. The aggregate amount of all such negative*
21 *interest rate loans the State makes in a fiscal*
22 *year shall not exceed 20 percent of the funds in*
23 *the water supply infrastructure account of the*
24 *State.*

1 (3) *EXCEPTION FOR DISTRICT OF COLUMBIA AND*
2 *TERRITORIES.—In the case of a water supply infra-*
3 *structure account established by the District of Co-*
4 *lumbia, American Samoa, Guam, the Commonwealth*
5 *of the Northern Mariana Islands, the Commonwealth*
6 *of Puerto Rico, the Pacific Trust Territories, or the*
7 *Virgin Islands, the account may be used directly by*
8 *the State for construction, rehabilitation, and im-*
9 *provement of a water supply system.*

10 (c) *CORRECTIVE ACTION.—Section 605 of the Federal*
11 *Water Pollution Control Act shall apply to a State’s agree-*
12 *ment with the Administrator under this Act and to require-*
13 *ments of this Act to the same extent and in the same man-*
14 *ner as such section applies to a State’s agreement under*
15 *section 602 of such Act and the requirements of title VI of*
16 *such Act.*

17 (d) *AUDITS, REPORTS, AND FISCAL CONTROLS.—Sub-*
18 *sections (a), (b), (d), and (e) of section 606 of the Federal*
19 *Water Pollution Control Act shall apply to a State estab-*
20 *lishing an account under this Act and to such account to*
21 *the same extent and in the same manner as such subsections*
22 *apply to a State establishing a water pollution control re-*
23 *volving fund under title VI of such Act and to such fund.*

1 **SEC. 8. WATER SUPPLY INFRASTRUCTURE REVOLVING**
2 **LOAN FUNDS.**

3 (a) *REQUIREMENTS FOR OBLIGATION OF GRANT*
4 *FUNDS.*—*Before a State may receive a grant with funds*
5 *made available under section 13, the State shall first estab-*
6 *lish a water supply infrastructure account which complies*
7 *with the requirements of this Act.*

8 (b) *ADMINISTRATOR.*—*Each State water supply infra-*
9 *structure account shall be administered by an instrumental-*
10 *ity of the State with such powers and limitations as may*
11 *be required to operate such account in accordance with the*
12 *requirements and purposes of this Act.*

13 (c) *PROJECTS ELIGIBLE FOR ASSISTANCE.*—*The*
14 *amounts of funds available to each State water supply in-*
15 *frastructure account shall be used only for providing finan-*
16 *cial assistance (1) for construction, rehabilitation, and im-*
17 *provement of water supply systems, and (2) consistent with*
18 *nonpoint source management programs established under*
19 *section 319 of the Federal Water Pollution Control Act and*
20 *subject to subsection (d)(3), for source water quality protec-*
21 *tion programs to address pollutants in navigable waters for*
22 *the purpose of making such waters usable by water supply*
23 *systems. In addition, amounts in such account may be used*
24 *to provide assistance to undertake feasible and appropriate*
25 *changes in operations of the water supply system (including*
26 *ownership, management, accounting, rates, maintenance,*

1 consolidation, alternative water supply, or other proce-
2 dures) if the State determines that such measures are nec-
3 essary to ensure adequate construction, operation, and
4 maintenance of the water supply system. The account shall
5 be established, maintained, and credited with repayments,
6 and the account balance shall be available in perpetuity
7 for providing such assistance.

8 (d) *TYPES OF ASSISTANCE.*—In addition to the types
9 of assistance which may be made available under section
10 603(d) of the Federal Water Pollution Control Act from a
11 water supply infrastructure account of a State under this
12 Act—

13 (1) up to 2 percent of the funds in such account
14 may be used to provide technical assistance with re-
15 spect to construction, rehabilitation, and improve-
16 ment of water supply systems;

17 (2) up to 10 percent of the funds in such account
18 may be used to provide technical and financial assist-
19 ance described in subsection (c)(2);

20 (3) up to $\frac{1}{4}$ of the 10 percent set-aside under
21 paragraph (2) may be used to make grants to pay 50
22 percent of the cost of the source water quality protec-
23 tion programs described in subsection (c)(2); and

1 (4) such account may be used to provide loan
2 guarantees for developing and implementing innova-
3 tive technologies.

4 (e) ACQUISITION OF LANDS.—Assistance provided with
5 funds made available under section 13 may be used for the
6 acquisition of lands and other interests in lands; however,
7 nothing in this Act authorizes the acquisition of lands or
8 other interests in lands from other than willing sellers.

9 **SEC. 9. ALLOTMENT OF FUNDS.**

10 (a) FISCAL YEAR 1996.—Sums authorized to be ap-
11 propriated pursuant to section 13 for fiscal year 1996 shall
12 be allotted for such year by the Administrator not later than
13 the 10th day which begins after the date of the enactment
14 of this Act. Sums authorized for such fiscal year shall be
15 allotted in accordance with the following table:

<i>States:</i>	<i>Percentages:</i>
<i>Alabama</i>	0.98
<i>Alaska</i>	2.34
<i>Arizona</i>	1.36
<i>Arkansas</i>	0.98
<i>California</i>	6.27
<i>Colorado</i>	1.35
<i>Connecticut</i>	1.73
<i>Delaware</i>	0.63
<i>District of Columbia</i>	0.52
<i>Florida</i>	3.72
<i>Georgia</i>	2.10
<i>Hawaii</i>	0.60
<i>Idaho</i>	1.13
<i>Illinois</i>	3.16
<i>Indiana</i>	2.10
<i>Iowa</i>	1.36
<i>Kansas</i>	1.12
<i>Kentucky</i>	0.95
<i>Louisiana</i>	1.65
<i>Maine</i>	1.00
<i>Maryland</i>	1.42

<i>Massachusetts</i>	1.15
<i>Michigan</i>	4.93
<i>Minnesota</i>	3.47
<i>Mississippi</i>	1.32
<i>Missouri</i>	1.77
<i>Montana</i>	1.19
<i>Nebraska</i>	1.02
<i>Nevada</i>	0.85
<i>New Hampshire</i>	1.09
<i>New Jersey</i>	2.28
<i>New Mexico</i>	1.01
<i>New York</i>	4.90
<i>North Carolina</i>	3.80
<i>North Dakota</i>	0.76
<i>Ohio</i>	3.55
<i>Oklahoma</i>	1.41
<i>Oregon</i>	1.53
<i>Pennsylvania</i>	4.41
<i>Rhode Island</i>	0.61
<i>South Carolina</i>	1.18
<i>South Dakota</i>	0.82
<i>Tennessee</i>	1.01
<i>Texas</i>	5.81
<i>Utah</i>	0.87
<i>Vermont</i>	0.81
<i>Virginia</i>	2.41
<i>Washington</i>	2.55
<i>West Virginia</i>	0.98
<i>Wisconsin</i>	3.42
<i>Wyoming</i>	0.81
<i>American Samoa</i>	0.18
<i>Guam</i>	0.17
<i>Northern Marianas</i>	0.17
<i>Puerto Rico</i>	0.81
<i>Pacific Trust Territories</i>	0.17
<i>Virgin Islands</i>	0.31.

1 (b) *FISCAL YEARS 1997 THROUGH 2000.*—Sums au-
2 *thorized to be appropriated pursuant to section 13 for each*
3 *of fiscal years 1997 through 2000 shall be allotted by the*
4 *Administrator in accordance with the relative needs of the*
5 *States for construction, rehabilitation, and improvement of*
6 *water supply systems and for source water quality protec-*
7 *tion programs described in section 5, as determined by the*
8 *Administrator, in consultation with the States.*

1 (c) *RESERVATION OF FUNDS FOR INDIAN TRIBES.*—

2 (1) *IN GENERAL.*—*Notwithstanding subsections*
3 *(a) and (b), the Administrator shall reserve for each*
4 *fiscal year not to exceed 1.5 percent of the amount*
5 *made available to carry out section 13 for such fiscal*
6 *year for the purpose of making grants to Indian*
7 *tribes for construction, rehabilitation, and improve-*
8 *ment of water supply systems.*

9 (2) *ALASKA NATIVE VILLAGES.*—*In the case of a*
10 *grant under this subsection for a project in an Alaska*
11 *Native village, the Administrator is also authorized to*
12 *make grants to the State of Alaska for the benefit of*
13 *Native villages. An amount not to exceed 4 percent of*
14 *the grant amount may be used by the State of Alaska*
15 *for project management.*

16 (d) *ALLOTMENT PERIOD.*—

17 (1) *PERIOD OF AVAILABILITY FOR GRANT*
18 *AWARD.*—*Sums allotted to a State under this section*
19 *for a fiscal year shall be available for obligation by*
20 *the State during the fiscal year for which sums are*
21 *authorized and during the following fiscal year; ex-*
22 *cept that for sums allotted in fiscal year 1996, such*
23 *period of availability shall be fiscal years 1996*
24 *through 1998.*

1 (2) *REALLOTMENT OF UNOBLIGATED FUNDS.*—
2 *The amount of any allotment not obligated by the*
3 *State by the last day of the period of availability es-*
4 *tablished by paragraph (1) shall be immediately real-*
5 *lotted by the Administrator on the basis of the same*
6 *ratio as is applicable to sums allotted under this sec-*
7 *tion for the second fiscal year of such period. None of*
8 *the funds reallocated by the Administrator shall be re-*
9 *allotted to any State which has not obligated all sums*
10 *allotted to such State in the first fiscal year of such*
11 *period.*

12 **SEC. 10. INTENDED USE PLANS.**

13 (a) *IN GENERAL.*—*After providing for public review*
14 *and comment, each State establishing a water supply infra-*
15 *structure account under this Act shall annually prepare a*
16 *plan that identifies the intended uses of the amounts in the*
17 *account.*

18 (b) *CONTENTS.*—*An intended use plan shall include—*

19 (1) *a list of the projects to be assisted in the first*
20 *fiscal year that begins after the date of the plan, in-*
21 *cluding a description of the project, the expected terms*
22 *of financial assistance, and the size of the service*
23 *area;*

24 (2) *a determination of the priority to be given*
25 *to such projects, taking into account the relative fi-*

1 *nancial and other needs for construction, rehabilita-*
2 *tion, and improvement of water supply systems and*
3 *for source water quality protection within the bound-*
4 *aries of the State;*

5 *(3) the criteria and methods established for the*
6 *distribution of funds; and*

7 *(4) a description of the financial status of the*
8 *water supply infrastructure account.*

9 **SEC. 11. NEEDS SURVEY.**

10 *(a) IN GENERAL.—The Administrator, in cooperation*
11 *with the States and Indian tribes, shall make—*

12 *(1) a detailed estimate, biennially revised, of the*
13 *cost of needed construction, rehabilitation, and im-*
14 *provement of water supply systems in the States and*
15 *Indian tribes and of the cost of needed construction*
16 *in each of the States and Indian tribes; and*

17 *(2) a comprehensive study of the economic im-*
18 *act on affected units of government of the costs of in-*
19 *stallation of water supply systems and parts thereof.*

20 *(b) SUBMISSION TO CONGRESS.—The Administrator*
21 *shall submit the detailed estimate and the comprehensive*
22 *study of costs under subsection (a) to Congress no later than*
23 *January 1, 1998, and January 1 of each even-numbered*
24 *year thereafter. The Administrator shall also submit rec-*
25 *ommendations for allotment of funds under section 9 to the*

1 *States based on such estimates and on such additional fac-*
2 *tors as the Administrator deems appropriate, including fi-*
3 *nancial need. Whenever the Administrator, pursuant to this*
4 *section, requests and receives an estimate of costs from a*
5 *State, the Administrator shall furnish copies of such esti-*
6 *mate together with such detailed estimate to Congress.*

7 **SEC. 12. BUY AMERICAN.**

8 (a) *SENSE OF CONGRESS.—It is the sense of Congress*
9 *that a recipient of assistance under this Act should purchase*
10 *American-made equipment and products.*

11 (b) *NOTICE.—The Administrator shall provide to each*
12 *recipient of assistance under this Act a notice describing*
13 *the sense of Congress set forth in subsection (a).*

14 **SEC. 13. AUTHORIZATION OF APPROPRIATIONS.**

15 *There is authorized to be appropriated to carry out*
16 *this Act (other than sections 14 and 15)—*

17 (1) *\$500,000,000 for fiscal year 1996;*

18 (2) *\$750,000,000 for fiscal year 1997;*

19 (3) *\$1,000,000,000 for fiscal year 1998;*

20 (4) *\$1,000,000,000 for fiscal year 1999; and*

21 (5) *\$1,000,000,000 for fiscal year 2000.*

22 *Such sums shall remain available until expended.*

1 **SEC. 14. TECHNICAL AND ENVIRONMENTAL FINANCING AS-**
2 **SISTANCE.**

3 (a) *TECHNICAL ASSISTANCE FOR SMALL WATER SUP-*
4 *PLY SYSTEMS.—*

5 (1) *GRANTS.—The Administrator may make*
6 *grants to States, local governments, and nonprofit or-*
7 *ganizations to provide technical assistance and train-*
8 *ing to owners and operators of small water supply*
9 *systems (including systems that utilize an alternative*
10 *treatment technology) to enable the systems to achieve*
11 *the purposes of this Act.*

12 (2) *DISSEMINATION OF INFORMATION.—The Ad-*
13 *ministrator may disseminate information to commu-*
14 *nities with respect to the planning, design, construc-*
15 *tion, and operation of water supply systems.*

16 (3) *AUTHORIZATION OF APPROPRIATIONS.—*
17 *There is authorized to be appropriated to carry out*
18 *this subsection \$13,000,000 for each of fiscal years*
19 *1996 through 2000. Such sums shall remain available*
20 *until expended.*

21 (b) *ENVIRONMENTAL FINANCE CENTERS.—*

22 (1) *IN GENERAL.—The Administrator shall sup-*
23 *port the network of university-based Environmental*
24 *Finance Centers in providing technical assistance to*
25 *State and local officials to enable water supply sys-*
26 *tems to meet the purposes of this Act.*

1 (2) *EMPHASIS.*—*Assistance authorized under*
2 *this subsection shall be used by Environmental Fi-*
3 *nance Centers to increase the capabilities of State and*
4 *local officials to fund, operate, and maintain water*
5 *supply systems and source water quality protection*
6 *programs, as described in section 5 of this Act, with*
7 *greater involvement of private sector and public, non-*
8 *Federal sector participants.*

9 (3) *AUTHORIZATION OF APPROPRIATIONS.*—
10 *There is authorized to be appropriated to carry out*
11 *this subsection \$2,000,000 for each of fiscal years*
12 *1996 through 2000. Such funds shall remain available*
13 *until expended.*

14 **SEC. 15. ADDITIONAL ASSISTANCE FOR WATER INFRA-**
15 **STRUCTURE AND WATERSHEDS.**

16 (a) *GENERAL PROGRAM.*—

17 (1) *IN GENERAL.*—*The Administrator may pro-*
18 *vide technical and financial assistance in the form of*
19 *grants to States (A) for the construction, rehabilita-*
20 *tion, and improvement of water supply systems, and*
21 *(B) consistent with nonpoint source management pro-*
22 *grams established under section 319 of the Federal*
23 *Water Pollution Control Act, for source water quality*
24 *protection programs to address pollutants in navi-*

1 *gable waters for the purpose of making such waters*
2 *usable by water supply systems.*

3 (2) *LIMITATION.*—*Not more than 30 percent of*
4 *the amounts appropriated to carry out this subsection*
5 *in a fiscal year may be used for source water quality*
6 *protection programs described in paragraph (1)(B).*

7 (3) *CONDITION.*—*As a condition to receiving as-*
8 *sistance under this subsection, a State shall ensure*
9 *that such assistance is carried out in the most cost-*
10 *effective manner, as determined by the State.*

11 (4) *AUTHORIZATION OF APPROPRIATIONS.*—
12 *There is authorized to be appropriated to carry out*
13 *this subsection \$50,000,000 for each of fiscal years*
14 *1996 through 2000. Such sums shall remain available*
15 *until expended.*

16 (b) *NEW YORK CITY WATERSHED, NEW YORK.*—

17 (1) *IN GENERAL.*—*The Administrator may pro-*
18 *vide technical and financial assistance in the form of*
19 *grants for a source water quality protection program*
20 *described in subsection (a) for the New York City Wa-*
21 *tershed in the State of New York.*

22 (2) *AUTHORIZATION OF APPROPRIATIONS.*—
23 *There is authorized to be appropriated to carry out*
24 *this subsection \$15,000,000 for each of fiscal years*

1 1996 through 2000. Such sums shall remain available
2 until expended.

3 (c) *RURAL AND NATIVE VILLAGES, ALASKA.*—

4 (1) *IN GENERAL.*—*The Administrator may pro-*
5 *vide technical and financial assistance in the form of*
6 *grants to the State of Alaska for the benefit of rural*
7 *and Alaska Native villages for the development and*
8 *construction of water systems to improve conditions*
9 *in such villages and to provide technical assistance*
10 *relating to construction and operation of such sys-*
11 *tems.*

12 (2) *CONSULTATION.*—*The Administrator shall*
13 *consult the State of Alaska on methods of prioritizing*
14 *the allocation of grants made to such State under this*
15 *subsection.*

16 (3) *ADMINISTRATIVE EXPENSES.*—*The State of*
17 *Alaska may use not to exceed 4 percent of the amount*
18 *granted to such State under this section for adminis-*
19 *trative expenses necessary to carry out the activities*
20 *for which the grant is made.*

21 (4) *AUTHORIZATION OF APPROPRIATIONS.*—
22 *There is authorized to be appropriated to carry out*
23 *this subsection \$25,000,000. Such sums shall remain*
24 *available until expended.*

1 (d) *ACQUISITION OF LANDS.*—Assistance provided
2 with funds made available under this section may be used
3 for the acquisition of lands and other interests in lands;
4 however, nothing in this Act authorizes the acquisition of
5 lands or other interests in lands from other than willing
6 sellers.

7 (e) *FEDERAL SHARE.*—The Federal share of the cost
8 of activities for which grants are made under this section
9 shall be 50 percent.

10 (f) *CONDITION ON AUTHORIZATIONS OF APPROPRIA-*
11 *TIONS.*—An authorization of appropriations under this sec-
12 tion shall be in effect for a fiscal year only if at least 75
13 percent of the total amount of funds authorized to be appro-
14 priated for such fiscal year by section 13 are appropriated.