

107TH CONGRESS  
1ST SESSION

# S. 252

To amend the Federal Water Pollution Control Act to authorize appropriations for State water pollution control revolving funds, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

FEBRUARY 6, 2001

Mr. VOINOVICH introduced the following bill; which was read twice and referred to the Committee on Environment and Public Works

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## A BILL

To amend the Federal Water Pollution Control Act to authorize appropriations for State water pollution control revolving funds, 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 “Clean Water Infra-  
5 structure Financing Act of 2001”.

6 **SEC. 2. GENERAL AUTHORITY FOR CAPITALIZATION**  
7 **GRANTS.**

8 Section 601(a) of the Federal Water Pollution Con-  
9 trol Act (33 U.S.C. 1381(a)) is amended by striking “(1)

1 for construction” and all that follows through the period  
2 at the end and inserting “to accomplish the purposes of  
3 this Act.”.

4 **SEC. 3. CAPITALIZATION GRANTS AGREEMENTS.**

5 (a) REQUIREMENTS FOR CONSTRUCTION OF TREAT-  
6 MENT WORKS.—Section 602(b)(6) of the Federal Water  
7 Pollution Control Act (33 U.S.C. 1382(b)(6)) is  
8 amended—

9 (1) by striking “before fiscal year 1995”; and  
10 (2) by striking “201(b)” and all that follows  
11 through “218,” and inserting “211,”.

12 (b) GUIDANCE FOR SMALL SYSTEMS.—Section 602  
13 of the Federal Water Pollution Control Act (33 U.S.C.  
14 1382) is amended by adding at the end the following:

15 “(c) GUIDANCE FOR SMALL SYSTEMS.—

16 “(1) SIMPLIFIED PROCEDURES.—Not later than  
17 1 year after the date of enactment of this sub-  
18 section, the Administrator shall assist the States in  
19 establishing simplified procedures for small systems  
20 to obtain assistance under this title.

21 “(2) PUBLICATION OF MANUAL.—Not later  
22 than 1 year after the date of enactment of this sub-  
23 section, after providing notice and opportunity for  
24 public comment, the Administrator shall publish—

1           “(A) a manual to assist small systems in  
2           obtaining assistance under this title; and

3           “(B) in the Federal Register, notice of the  
4           availability of the manual.

5           “(3) DEFINITION OF SMALL SYSTEM.—In this  
6           title, the term ‘small system’ means a system for  
7           which a municipality or intermunicipal, interstate, or  
8           State agency seeks assistance under this title and  
9           that serves a population of 20,000 or fewer inhab-  
10          itants.”.

11 **SEC. 4. WATER POLLUTION CONTROL REVOLVING FUNDS.**

12          (a) ACTIVITIES ELIGIBLE FOR ASSISTANCE.—Sec-  
13          tion 603 of the Federal Water Pollution Control Act (33  
14          U.S.C. 1383) is amended by striking subsection (c) and  
15          inserting the following:

16          “(c) ACTIVITIES ELIGIBLE FOR ASSISTANCE.—

17                 “(1) IN GENERAL.—The water pollution control  
18                 revolving fund of a State shall be used only for pro-  
19                 viding financial assistance for activities that have, as  
20                 a principal benefit, the improvement or protection of  
21                 the water quality of navigable waters to a munici-  
22                 pality, intermunicipal, interstate, or State agency, or  
23                 other person, including activities such as—

24                         “(A) construction of a publicly owned  
25                         treatment works;

1           “(B) implementation of lake protection  
2 programs and projects under section 314;

3           “(C) implementation of a nonpoint source  
4 management program under section 319;

5           “(D) implementation of an estuary con-  
6 servation and management plan under section  
7 320;

8           “(E) restoration or protection of publicly  
9 or privately owned riparian areas, including ac-  
10 quisition of property rights;

11           “(F) implementation of measures to im-  
12 prove the efficiency of public water use;

13           “(G) development and implementation of  
14 plans by a public recipient to prevent water pol-  
15 lution; and

16           “(H) acquisition of land necessary to meet  
17 any mitigation requirements related to con-  
18 struction of a publicly owned treatment works.

19           “(2) FUND AMOUNTS.—

20           “(A) REPAYMENTS.—The water pollution  
21 control revolving fund of a State shall be estab-  
22 lished, maintained, and credited with repay-  
23 ments.

24           “(B) AVAILABILITY.—The balance in the  
25 fund shall be available in perpetuity for pro-

1           viding financial assistance described in para-  
2           graph (1).

3           “(C) FEES.—Fees charged by a State to  
4           recipients of the assistance may be deposited in  
5           the fund and may be used only to pay the cost  
6           of administering this title.”.

7           (b) EXTENDED REPAYMENT PERIOD FOR FINAN-  
8           cially DISTRESSED COMMUNITIES.—Section 603(d)(1)  
9           of the Federal Water Pollution Control Act (33 U.S.C.  
10          1383(d)(1)) is amended—

11           (1) in subparagraph (A), by inserting after “20  
12          years” the following: “or, in the case of a financially  
13          distressed community, the lesser of 40 years or the  
14          expected life of the project to be financed with the  
15          proceeds of the loan”; and

16           (2) in subparagraph (B), by striking “not later  
17          than 20 years after project completion” and insert-  
18          ing “on the expiration of the term of the loan”.

19           (c) LOAN GUARANTEES.—Section 603(d) of the Fed-  
20          eral Water Pollution Control Act (33 U.S.C. 1383(d)) is  
21          amended by striking paragraph (5) and inserting the fol-  
22          lowing:

23           “(5) to provide loan guarantees for—

24           “(A) similar revolving funds established by  
25          municipalities or intermunicipal agencies; and

1                   “(B) developing and implementing innova-  
2                   tive technologies;”.

3           (d) ADMINISTRATIVE EXPENSES.—Section 603(d)(7)  
4 of the Federal Water Pollution Control Act (33 U.S.C.  
5 1383(d)(7)) is amended by inserting before the period at  
6 the end the following: “or the greater of \$400,000 per year  
7 or an amount equal to ½ percent per year of the current  
8 valuation of the fund, plus the amount of any fees col-  
9 lected by the State under subsection (c)(2)(C)”.

10          (e) TECHNICAL AND PLANNING ASSISTANCE FOR  
11 SMALL SYSTEMS.—Section 603(d) of the Federal Water  
12 Pollution Control Act (33 U.S.C. 1383(d)) is amended—

13           (1) in paragraph (6), by striking “and” at the  
14           end;

15           (2) in paragraph (7), by striking the period at  
16           the end and inserting “; and”; and

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

18           “(8) to provide to small systems technical and  
19           planning assistance and assistance in financial man-  
20           agement, user fee analysis, budgeting, capital im-  
21           provement planning, facility operation and mainte-  
22           nance, repair schedules, and other activities to im-  
23           prove wastewater treatment plant operations, except  
24           that the amounts used under this paragraph for a  
25           fiscal year shall not exceed 2 percent of all grants

1 provided to the fund for the fiscal year under this  
2 title.”.

3 (f) CONSISTENCY WITH PLANNING REQUIRE-  
4 MENTS.—Section 603(f) of the Federal Water Pollution  
5 Control Act (33 U.S.C. 1383(f)) is amended by striking  
6 “is consistent” and inserting “is not inconsistent”.

7 (g) CONSTRUCTION ASSISTANCE.—Section 603 of the  
8 Federal Water Pollution Control Act (33 U.S.C. 1383) is  
9 amended by striking subsection (g) and inserting the fol-  
10 lowing:

11 “(g) CONSTRUCTION ASSISTANCE.—

12 “(1) PRIORITY LIST REQUIREMENT.—The State  
13 may provide financial assistance from the water pol-  
14 lution control revolving fund of the State for a  
15 project for construction of a publicly owned treat-  
16 ment works only if the project is on the priority list  
17 of the State under section 216, without regard to  
18 the rank of the project on the list.

19 “(2) ELIGIBILITY OF CERTAIN TREATMENT  
20 WORKS.—A treatment works shall be treated as a  
21 publicly owned treatment works for purposes of sub-  
22 section (c) if the treatment works, without regard to  
23 ownership, would be considered a publicly owned  
24 treatment works and is principally treating munic-  
25 ipal waste water or domestic sewage.”.

1 (h) PRINCIPAL SUBSIDIZATION.—Section 603 of the  
2 Federal Water Pollution Control Act (33 U.S.C. 1383) is  
3 amended by adding at the end the following:

4 “(i) PRINCIPAL SUBSIDIZATION.—

5 “(1) IN GENERAL.—Subject to paragraph (2),  
6 in a case in which a State makes a loan under sub-  
7 section (d)(1) to a financially distressed community,  
8 the State may provide additional subsidization to the  
9 loan recipient (including forgiveness of principal).

10 “(2) LIMITATION.—For each fiscal year, the  
11 total amount of loan subsidies made by a State  
12 under this subsection shall not exceed 30 percent of  
13 the amount of the capitalization grant received by  
14 the State for that fiscal year.

15 “(j) INFORMATION TO ASSIST STATES.—The Admin-  
16 istrator may publish information to assist States in estab-  
17 lishing the affordability criteria referred to in subsection  
18 (l).

19 “(k) PRIORITY.—In making a loan under this section,  
20 a State may give priority to a financially distressed com-  
21 munity.

22 “(l) DEFINITION OF FINANCIALLY DISTRESSED  
23 COMMUNITY.—In this section, the term ‘financially dis-  
24 tressed community’ means any community that meets af-  
25 fordability criteria that are—

1           “(1) established by the State in which the com-  
2           munity is located; and

3           “(2) developed after public review and com-  
4           ment.”.

5 **SEC. 5. AUTHORIZATION OF APPROPRIATIONS.**

6           Section 607 of the Federal Water Pollution Control  
7 Act (33 U.S.C. 1387) is amended by striking “the fol-  
8 lowing sums:” and all that follows through the period at  
9 the end of paragraph (5) and inserting “\$3,000,000,000  
10 for each of fiscal years 2002 through 2006.”.

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