

115TH CONGRESS
2D SESSION

S. 2969

To amend the Consolidated Farm and Rural Development Act to improve water or waste disposal grants or direct or guaranteed loans, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 24, 2018

Ms. BALDWIN introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

A BILL

To amend the Consolidated Farm and Rural Development Act to improve water or waste disposal grants or direct or guaranteed loans, 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 “Rural Water Infra-
5 structure Improvement Act of 2018”.

1 **SEC. 2. WATER OR WASTE DISPOSAL GRANTS OR DIRECT**
2 **OR GUARANTEED LOANS.**

3 (a) GRANTS.—Section 306(a)(2)(B) of the Consoli-
4 dated Farm and Rural Development Act (7 U.S.C.
5 1926(a)(2)(B)) is amended—

6 (1) in clause (iii), by striking “\$100,000” each
7 place it appears and inserting “\$200,000”; and

8 (2) in clause (vii), by striking “2018” and in-
9 serting “2023”.

10 (b) ASSISTANCE FOR UNSERVED AND UNDERSERVED
11 RURAL COMMUNITIES.—Section 306(a) of the Consoli-
12 dated Farm and Rural Development Act (7 U.S.C.
13 1926(a)) is amended by adding at the end the following:

14 “(27) ASSISTANCE FOR UNSERVED AND UN-
15 DERSERVED RURAL COMMUNITIES.—

16 “(A) DEFINITION OF UNSERVED OR UN-
17 DERSERVED RURAL COMMUNITY.—In this para-
18 graph, the term ‘unserved or underserved rural
19 community’ means a rural area that, as deter-
20 mined by the Secretary, lacks the technical, fi-
21 nancial, organizational, and managerial capacity
22 to adequately operate, maintain, and effectively
23 serve the population of the rural area.

24 “(B) WATER AND WASTE DISPOSAL DI-
25 RECT LOANS.—The Secretary may make water
26 and waste disposal direct loans under para-

1 graph (1) to eligible entities described in sub-
2 paragraph (C) at the interest rate applicable to
3 areas where the median family income is below
4 the poverty line, as determined under section
5 307(a)(3)(A), for projects for unserved or un-
6 derserved rural communities.

7 “(C) ELIGIBLE ENTITIES.—To be eligible
8 to receive a direct loan under subparagraph
9 (B), an applicant shall be a contiguous or local
10 utility outside of the unserved or underserved
11 rural community to be served by the project
12 funded by the direct loan that, as determined
13 by the Secretary—

14 “(i) has a demonstrated experience
15 and capacity in delivering water programs
16 or wastewater programs under this Act;

17 “(ii) demonstrates the capacity to pro-
18 vide service to the applicable unserved or
19 underserved rural community;

20 “(iii) demonstrates that—

21 “(I) the project funded by the di-
22 rect loan is solely for the purpose of
23 serving the applicable unserved or un-
24 derserved rural community; and

1 “(II) the maximum financial ben-
2 efit of the assistance under this para-
3 graph will be conferred to that
4 unserved or underserved rural com-
5 munity; and

6 “(iv) demonstrates that the applicable
7 unserved or underserved rural commu-
8 nity—

9 “(I) has willingly entered into a
10 formal agreement with the applicant
11 for service by the applicant; and

12 “(II) entered into the agreement
13 described in subclause (I) with the un-
14 derstanding that the unserved or un-
15 derserved rural community is eligible
16 for water and waste disposal direct
17 loans under paragraph (1) independ-
18 ently of any direct loan under this
19 paragraph.”.

20 (c) DIRECT AND GUARANTEED LOANS.—Section
21 343(a)(13)(B) of the Consolidated Farm and Rural Devel-
22 opment Act (7 U.S.C. 1991(a)(13)(B)) is amended—

23 (1) by striking “For the purpose” and inserting
24 the following:

1 “(i) GRANTS AND DIRECT LOANS.—

2 For the purpose”;

3 (2) in clause (i) (as so designated)—

4 (A) by striking “and guaranteed”; and

5 (B) by striking “(24)” and inserting
6 “(27)”; and

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

8 “(ii) GUARANTEED LOANS.—For the
9 purpose of water and waste disposal guar-
10 anteed loans provided under paragraphs
11 (1) and (24) of section 306(a), the terms
12 ‘rural’ and ‘rural area’ mean a city, town,
13 or unincorporated area that has a popu-
14 lation of not more than 50,000 inhab-
15 itants.”.

16 **SEC. 3. FUNDING OF PENDING RURAL DEVELOPMENT**
17 **LOAN AND GRANT APPLICATIONS.**

18 (a) IN GENERAL.—The Secretary shall use funds
19 made available under subsection (b) to provide funds for
20 applications that are pending on the date of enactment
21 of this Act in accordance with the terms and conditions
22 of section 6029 of the Food, Conservation, and Energy
23 Act of 2008 (Public Law 110–246; 122 Stat. 1955).

24 (b) FUNDING.—Notwithstanding any other provision
25 of law, beginning in fiscal year 2019, of the funds of the

- 1 Commodity Credit Corporation, the Secretary shall use to
- 2 carry out this section \$150,000,000, to remain available
- 3 until expended.

