

**[DISCUSSION DRAFT]**114TH CONGRESS  
1ST SESSION**H. R.** \_\_\_\_\_

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

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**IN THE HOUSE OF REPRESENTATIVES**

Mr. HUFFMAN introduced the following bill; which was referred to the Committee on \_\_\_\_\_

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**A BILL**

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

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; TABLE OF CONTENTS; FINDINGS.**

4 (a) SHORT TITLE.—This Act may be cited as the

5 “\_\_\_\_\_ Act of 2015”.

6 (b) TABLE OF CONTENTS.—The table of contents of

7 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 ACT

- 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.

### 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.

Sec. 412. Protecting and prioritizing high-value agricultural land.

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  
7 Government should participate and cooperate in  
8 these projects.

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

16 (3) That, as established in the Proclamation of  
17 a State of Emergency issued by the Governor of the  
18 State of California on January 17, 2014, California

1 is experiencing record dry conditions, all regions of  
2 the State are impacted by the drought, and these ex-  
3 tremely dry conditions have persisted since 2012 and  
4 are likely to persist beyond this year and more regu-  
5 larly into the future.

6 (4) That the State of California is not alone in  
7 the prospects for long-term drought, and that the  
8 entire American West and Southwest are facing  
9 forecasts of prolonged droughts that will leave States  
10 facing major water shortages and catastrophic  
11 wildfires.

12 (5) That the prolonged period of drought in the  
13 American West has also occurred with higher tem-  
14 peratures throughout the State of California, reduc-  
15 ing snowpack and leading to what climate scientists  
16 conclude may be the most severe drought in over  
17 1,200 years.

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

23 (7) That the United States should utilize all ex-  
24 isting authorities and resources made available by  
25 the Agricultural Act of 2014, that over \$500 million

1 in assistance has already been dedicated to assisting  
2 agricultural users and rural communities in Cali-  
3 fornia and other drought-impacted areas, and that  
4 the United States Department of Agriculture should  
5 continue to prioritize such assistance to bring relief  
6 to drought-impacted areas.

7 (8) That this drought emergency requires an  
8 immediate and credible response that respects State,  
9 local, and tribal law, and that the policies that re-  
10 spond to the drought should not pit State against  
11 State, region against region, or stakeholders against  
12 one another.

13 (9) That Federal agencies should continue to  
14 operate the Bureau of Reclamation's Central Valley  
15 Project in California in compliance with all Federal  
16 and State laws, including biological opinions, while  
17 working with the State to maximize operational  
18 flexibility in order to deliver as much water as rea-  
19 sonably possible to drought-impacted areas and min-  
20 imize the harm suffered by fish and wildlife as a re-  
21 sult of the drought.

22 (10) That Congress recognizes the range of sep-  
23 arate, distinct Federal agencies with authorities and  
24 resources that play a role in water supply, including  
25 treatment and remediation of groundwater, surface

1 water storage, water recycling and reuse, and other  
2 clean water infrastructure, and that to avoid dupli-  
3 cation and ensure the efficiency and effectiveness of  
4 these various Federal roles, there is a need for im-  
5 proved coordination, streamlining, and collaboration,  
6 both among Federal agencies and with drought-im-  
7 pacted States and localities.

8 (11) That it is the policy of the United States  
9 to respect California's coequal goals, established by  
10 the Delta Reform Act of 2009, of providing a more  
11 reliable water supply for California and protecting,  
12 restoring, and enhancing the Delta ecosystem, and  
13 that these coequal goals shall be achieved in a man-  
14 ner that protects and enhances the unique cultural,  
15 recreational, natural resource, and agricultural val-  
16 ues of the Delta as an evolving place.

17 (12) That the State of California, in CA Water  
18 Code Section 85021, has established a policy to re-  
19 duce reliance on the Delta in meeting California's  
20 future water supply needs through a statewide strat-  
21 egy of investing in improved regional supplies, con-  
22 servation, and water use efficiency, that California  
23 law directs each region that depends on water from  
24 the Delta watershed to improve its regional self-reli-  
25 ance for water through investment in water use effi-

1       ciency, water recycling, advanced water technologies,  
2       local and regional water supply projects, and im-  
3       proved regional coordination of local and regional  
4       water supply efforts, and that it is the intent of  
5       Congress to ensure that Federal programs, policies,  
6       and investments respect and compliment, and do not  
7       undermine or conflict with, California's policy of re-  
8       ducing reliance on Delta diversions.

9           (13) That the Reclamation Fund was estab-  
10       lished in 1902 with the expressed purpose of pro-  
11       viding for the construction and maintenance of  
12       water infrastructure for the economic development of  
13       the western States and territories, with revenues de-  
14       posited into the fund out of public land sales within  
15       these western States and territories.

16           (14) That since 1902, the Reclamation Fund  
17       has been supplemented with additional revenues  
18       from Federal water resources development and min-  
19       eral and natural resource leases on Federal lands,  
20       such that the surplus within the Reclamation Fund  
21       now exceeds \$10 billion.

22           (15) That the Reclamation Fund represents a  
23       transfer of a portion of receipts from Federal lands  
24       and Federal natural resources in the West back to  
25       the West for water development, and that in this

1 time of drought the Reclamation Fund’s surplus  
2 should be used to assist the West in meeting its  
3 water needs for public health and safety, for expand-  
4 ing water recycling, reuse, and reclamation, for  
5 meeting the emergency needs of communities im-  
6 pacted by the drought, and for developing long term  
7 solutions to meet the impacts of climate change on  
8 this already arid region of the country.

9 **TITLE I—EMERGENCY DROUGHT**  
10 **RESPONSE APPROPRIATIONS**  
11 **FROM RECLAMATION FUND**

12 **SEC. 101. APPROPRIATIONS TO BE DERIVED FROM REC-**  
13 **LAMATION FUND.**

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

19 **SEC. 102. SUPPLEMENTAL APPROPRIATIONS FOR**  
20 **DROUGHT RELIEF.**

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

24 (1) WATER AND RELATED RESOURCES.—For  
25 an additional amount for “Department of the Inte-

1 rior—Bureau of Reclamation—Water and Related  
2 Resources”, \$200,000,000, of which not less than  
3 \$50,000,000 shall be for water reclamation and  
4 reuse projects authorized under title XVI of Public  
5 Law 102–575; of which not less than \$50,000,000  
6 shall be for WaterSMART for assistance under the  
7 Reclamation States Emergency Drought Relief Act  
8 of 1991 (43 U.S.C. 2201 et seq.); and of which not  
9 less than \$50,000,000 shall be for water acquisition,  
10 water conveyance, and facilities construction under  
11 the Refuge Water Supply Program: *Provided*, That  
12 funds provided under this heading may be used for  
13 recycled water projects without regard to whether  
14 such projects are otherwise authorized under law:  
15 *Provided further*, That sufficient funds are spent on  
16 the completion of CALFED feasibility studies de-  
17 scribed in section 103(d)(1)(A) of Public Law 108–  
18 361 (118 Stat. 1684) that have the financing and  
19 feasibility to be under construction within 10 years,  
20 and that for the purposes of this Act the Federal  
21 cost share of such feasibility studies shall be no less  
22 than 75% and that the cost share waiver for such  
23 feasibility studies shall extend to December 31,  
24 2017.

1           (2) HAZARDOUS SUBSTANCE SUPERFUND.—For  
2           an additional amount for “Environmental Protection  
3           Agency—Hazardous Substance Superfund”,  
4           \$300,000,000 for the cleanup of polluted ground-  
5           water supplies.

6           (3) RURAL WATER AND WASTE DISPOSAL PRO-  
7           GRAM ACCOUNT.—For an additional amount for  
8           “Department of Agriculture—Rural Utilities Serv-  
9           ice—Rural Water and Waste Disposal Program Ac-  
10          count”, \$5,000,000 for the cost of direct and guar-  
11          anteed loans and grants for the rural water, waste-  
12          water, and waste disposal programs authorized by  
13          sections 306 and 310B or described in section  
14          381E(d)(2) of the Consolidated Farm and Rural De-  
15          velopment Act.

16          (4) DRUG ENFORCEMENT ADMINISTRATION.—  
17          For an additional amount for “Department of Jus-  
18          tice—Drug Enforcement Administration”,  
19          \$3,000,000 for the Domestic Cannabis Eradication  
20          and Suppression Program to assist State or local  
21          law enforcement agencies in the suppression of can-  
22          nabis operations that are conducted on public lands  
23          or that intentionally trespass on the property of an-  
24          other that also divert, redirect, obstruct, drain, or  
25          impound water supply.

1           (5) ARMY CORPS OF ENGINEERS.—For an addi-  
2           tional amount for the Army Corps of Engineers,  
3           \$40,000,000 to carry out section 5039 of the Water  
4           Resources and Development Act of 2007 (33 U.S.C.  
5           2201 et seq.).

6           (6) LAND AND WATER CONSERVATION FUND.—  
7           For an additional amount for “Land and Water  
8           Conservation Fund”, \$100,000,000 for the imple-  
9           mentation of projects under the Land and Water  
10          Conservation Fund Act of 1965 in drought-affected  
11          States that reduce fire risk, improve water quality or  
12          downstream water quantity, or expand ground water  
13          recharge capacity.

14          (7) LOW-INCOME MIGRANT AND SEASONAL  
15          FARMWORKERS.—For an additional amount for the  
16          Department of Agriculture, \$25,000,000 for emer-  
17          gency grants to assist low-income migrant and sea-  
18          sonal farmworkers under section 2281 of the Food,  
19          Agriculture, Conservation, and Trade Act of 1990  
20          (42 U.S.C. 5177a) to address impacts of drought  
21          upon declaration of a natural disaster under section  
22          321(a) of the Consolidated Farm and Rural Devel-  
23          opment Act (7 U.S.C. 1961(a)) or for the same pur-  
24          poses in counties that are contiguous to a designated  
25          natural disaster area.

1 (b) DROUGHT PRIORITIZATION.—Each amount ap-  
2 propriated under subsection (a) shall be used in States  
3 impacted by drought, with an emphasis on projects that  
4 will provide additional water supplies most expeditiously  
5 to areas at risk of having an inadequate supply of water  
6 for public health and safety purposes or to improve resil-  
7 iency to drought, or projects that provide relief to drought-  
8 affected communities facing unemployment and economic  
9 dislocation.

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

15 (d) GAO STUDY.—

16 (1) IN GENERAL.—The Comptroller General  
17 shall conduct a comprehensive study on Federal in-  
18 vestments in clean water and wastewater infrastruc-  
19 ture, addressing duplicative and fragmented pro-  
20 grams. The report shall include—

21 (A) a description of how Federal agencies,  
22 including the Army Corps of Engineers, the En-  
23 vironmental Protection Agency, the Bureau of  
24 Reclamation, the Rural Utilities Service, and  
25 other relevant agencies, coordinate their efforts

1 to address nationally, regionally, or locally iden-  
2 tified needs or priorities in an efficient and ef-  
3 fective manner; and

4 (B) an evaluation of the adequacy of Fed-  
5 eral coordination in meeting the needs of tribal  
6 lands.

7 (2) REPORT TO CONGRESS.— Not later than 1  
8 year after the date of the enactment of this Act, the  
9 Comptroller General shall submit to Congress a re-  
10 port containing the results of the study required  
11 under paragraph (1) and any recommendations  
12 based on such study.

13 **SEC. 103. SUPPLEMENTAL APPROPRIATIONS FOR THE EN-**  
14 **VIRONMENTAL PROTECTION AGENCY.**

15 The following sums are appropriated, out of any  
16 money in the Treasury not otherwise appropriated, for fis-  
17 cal year 2015:

18 ENVIRONMENTAL PROTECTION AGENCY

19 STATE AND TRIBAL ASSISTANCE GRANTS

20 For an additional amount for “State and Tribal As-  
21 sistance Grants”, \$500,000,000, of which \$400,000,000  
22 shall be for making capitalization grants for the State  
23 water pollution control revolving funds under title VI of  
24 the Federal Water Pollution Control Act; and of which  
25 \$100,000,000 shall be for making capitalization grants for

1 the State drinking water treatment revolving loan funds  
2 under section 1452 of the Safe Drinking Water Act: *Pro-*  
3 *vided*, That notwithstanding the time period specified in  
4 section 603(d) (1)(A) of the Federal Water Pollution Con-  
5 trol Act and section 1452(f)(1)(B)(i) of the Safe Drinking  
6 Water Act, loans made by such funds shall be authorized  
7 for 40-year terms: *Provided further*, That notwithstanding  
8 the formula or allotments set forth in section 604 of the  
9 Federal Water Pollution Control Act and section  
10 1452(a)(1)(D) of the Safe Drinking Water Act, loans  
11 made by such funds shall be distributed based on an as-  
12 sessment of the immediate need in States impacted by  
13 drought, with an emphasis on projects that will provide  
14 additional water supplies most expeditiously to areas that  
15 are at risk of having an inadequate supply of water for  
16 public health and safety purposes or to improve resiliency  
17 to drought: *Provided further*, That to the maximum extent  
18 practicable, highest priority to the loans made with such  
19 funds shall be given to projects that have been approved  
20 by, and have previously received funding from, State and  
21 local water agencies: *Provided further*, That such amount  
22 is designated by the Congress as being for an emergency  
23 requirement pursuant to section 251(b)(2)(A)(i) of the  
24 Balanced Budget and Emergency Deficit Control Act of  
25 1985.

1 **SEC. 104. SUPPLEMENTAL APPROPRIATIONS FOR THE**  
2 **WATER INFRASTRUCTURE FINANCE AND IN-**  
3 **NOVATION ACT PROGRAM.**

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

7 ENVIRONMENTAL PROTECTION AGENCY  
8 STATE AND TRIBAL ASSISTANCE GRANTS

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

1 United States Treasury securities of a similar maturity  
2 to the maturity of the secured loan on the date of execu-  
3 tion of the loan agreement: *Provided further*, That not-  
4 withstanding section 5028(a)(2)(A) of the Water Re-  
5 sources Reform and Development Act of 2014, the eligible  
6 project costs of a project shall be reasonably anticipated  
7 to be not less than \$10,000,000: *Provided further*, That  
8 such amount is designated by the Congress as being for  
9 an emergency requirement pursuant to section  
10 251(b)(2)(A)(i) of the Balanced Budget and Emergency  
11 Deficit Control Act of 1985.

12 **TITLE II—NEW WATER INFRA-**  
13 **STRUCTURE PROGRAM AU-**  
14 **THORIZATIONS**

15 **Subtitle A—New Water Recycling**  
16 **and Reclamation Program**  
17 **Through EPA**

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

19 (a) **SHORT TITLE.**—This subtitle may be cited as the  
20 “National Water Recycling and Reclamation Act of  
21 2015”.

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

23 (1) water supply, wastewater, sanitation, and  
24 sewage agencies across the Nation are developing  
25 and investing in water reuse and recycling projects;

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

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

8           (c) PURPOSES.—It is the purpose of this subtitle to  
9 expand investments in water reuse and recycling projects  
10 nationwide.

11 **SEC. 202. NATIONAL WATER RECYCLING AND RECLAMA-**  
12 **TION PROGRAM.**

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

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

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

24                   (A) development phase activities, including  
25                   planning, feasibility analysis, revenue fore-

1 casting, environmental review, permitting, pre-  
2 liminary engineering and design work, and  
3 other preconstruction activities;

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

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

14 (D) reimbursement for costs described in  
15 subparagraphs (A) through (C) incurred prior  
16 to the date of enactment of this Act.

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

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

1 (c) ELIGIBILITY.—

2 (1) PROJECT COSTS.—To be eligible for assist-  
3 ance under the program, a water recycling and rec-  
4 lamation project shall have total eligible costs that  
5 are reasonably anticipated to exceed \$1,000,000.

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

10 (A) is an eligible entity;

11 (B) submits to the Administrator an appli-  
12 cation for the project; and

13 (C) demonstrates a source for non-Federal  
14 revenues that is sufficient to satisfy the non-  
15 Federal share of the cost of the project.

16 (d) COMPETITIVE GRANT SELECTION.—

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

18 (A) establish criteria for selecting among  
19 projects that meet the eligibility criteria speci-  
20 fied in subsection (c);

21 (B) conduct a national solicitation for ap-  
22 plications; and

23 (C) award grants on a competitive basis.

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

1 (A) The extent to which the project ad-  
2 dresses near- and long-term water demand and  
3 supply, protects the environment, or otherwise  
4 enhances the overall water reclamation and  
5 reuse system.

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

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

14 (D) The extent to which the project uses  
15 measures that enhance the efficiency of the  
16 project.

17 (3) DEADLINES.—The Administrator shall—

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

22 (B) require that applications seeking finan-  
23 cial assistance under the program be submitted  
24 not later than 180 days after the date of publi-

1 cation of the selection criteria under subpara-  
2 graph (A); and

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

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

9 (f) AUTHORIZATION OF APPROPRIATIONS.—

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

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

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

1 (h) REGULATIONS.—The Administrator may issue  
2 such regulations as the Administrator determines appro-  
3 priate to carry out this section.

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

15 **Subtitle B—Reclamation Infra-**  
16 **structure Finance and Innova-**  
17 **tion Act (RIFIA)**

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

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

22 (b) PURPOSES.—The purposes of this subtitle are—  
23 (1) to promote increased development of critical  
24 water resources infrastructure by establishing addi-

1 tional opportunities for financing water resources  
2 projects;

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

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

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

14 (c) DEFINITIONS.—In this subtitle:

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

17 (A) a corporation;

18 (B) a partnership;

19 (C) a joint venture;

20 (D) a trust;

21 (E) a Federal, State, or local governmental  
22 entity, agency, or instrumentality; and

23 (F) a conservancy district, irrigation dis-  
24 trict, canal company, mutual water company,  
25 water users’ association, Indian tribe, agency

1           created by interstate compact, or any other en-  
2           tity that has the capacity to contract with the  
3           United States under Federal reclamation law.

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

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

13          (4) LENDER.—

14                (A) IN GENERAL.—The term “lender”  
15                means any non-Federal qualified institutional  
16                buyer (as defined in section 230.144A(a) of  
17                title 17, Code of Federal Regulations (or a suc-  
18                cessor regulation) (commonly known as “Rule  
19                144A(a) of the Securities and Exchange Com-  
20                mission” and issued under the Securities Act of  
21                1933 (15 U.S.C. 77a et seq.))).

22                (B) INCLUSIONS.—The term “lender” in-  
23                cludes—

24                        (i) a qualified retirement plan (as de-  
25                        fined in section 4974 of the Internal Rev-

1                   enue Code of 1986) that is a qualified in-  
2                   stitutional buyer; and

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

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

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

16                  (7) PROJECT OBLIGATION.—

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

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

24                         (8) RATING AGENCY.—The term “rating agen-  
25                         cy” means a credit rating agency registered with the

1 Securities and Exchange Commission as a nationally  
2 recognized statistical rating organization (as defined  
3 in section 3(a) of the Securities Exchange Act of  
4 1934 (15 U.S.C. 78c(a)).

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

7 (A) Arizona;

8 (B) California;

9 (C) Colorado;

10 (D) Idaho;

11 (E) Kansas;

12 (F) Montana;

13 (G) Nebraska;

14 (H) Nevada;

15 (I) New Mexico;

16 (J) North Dakota;

17 (K) Oklahoma;

18 (L) Oregon;

19 (M) South Dakota;

20 (N) Texas;

21 (O) Utah;

22 (P) Washington; and

23 (Q) Wyoming.

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

1           (11) SECURED LOAN.—The term “secured  
2           loan” means a direct loan or other debt obligation  
3           issued by an obligor and funded by the Secretary in  
4           connection with the financing of a project under  
5           chapter 1.

6           (12) SUBSIDY AMOUNT.—The term “subsidy  
7           amount” means the amount of budget authority suf-  
8           ficient to cover the estimated long-term cost to the  
9           Federal Government of a Federal credit instrument,  
10          as calculated on a net present value basis, excluding  
11          administrative costs and any incidental effects on  
12          Governmental receipts or outlays in accordance with  
13          the Federal Credit Reform Act of 1990 (2 U.S.C.  
14          661 et seq.).

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

## 20        **CHAPTER 1—INNOVATIVE FINANCING**

### 21        **SEC. 211. PURPOSES.**

22          The purposes of this chapter are—

23                (1) to promote increased development of critical  
24          water resources infrastructure by establishing addi-

1 tional opportunities for financing water resources  
2 projects;

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

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

10 (4) to leverage private investment in water re-  
11 sources infrastructure.

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

13 (a) IN GENERAL.—The Secretary may provide finan-  
14 cial assistance under this chapter to carry out projects  
15 within—

16 (1) any Reclamation State;

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

20 (3) the States of Alaska and Hawaii.

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

24 (1) project types; and

25 (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        tershed 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, in whole or in part, from dedicated revenue  
6        sources that also secure 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       (c) RECEIPT OF OTHER FEDERAL FUNDING.—Re-  
20 ceipt of a Federal grant or contract or other Federal fund-  
21 ing to support an eligible project shall not preclude the  
22 project from being eligible for assistance under this chap-  
23 ter.

1 (d) FEDERAL REQUIREMENTS.—Nothing in this sec-  
2 tion supersedes the applicability of other requirements of  
3 Federal law (including regulations).

4 **SEC. 216. SECURED LOANS.**

5 (a) AGREEMENTS.—

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

10 (A) to finance eligible project costs of any  
11 project selected under section 215;

12 (B) to refinance interim construction fi-  
13 nancing of eligible project costs of any project  
14 selected under section 215; or

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

20 (i) is selected under section 215; or

21 (ii) otherwise meets the requirements  
22 of section 215.

23 (2) LIMITATION ON REFINANCING OF INTERIM  
24 CONSTRUCTION FINANCING.—A secured loan under  
25 paragraph (1) shall not be used to refinance interim

1 construction financing under paragraph (1)(B) later  
2 than 1 year after the date of substantial completion  
3 of the applicable project.

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

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

18 (b) TERMS AND LIMITATIONS.—

19 (1) IN GENERAL.—A secured loan provided for  
20 a project under this section shall be subject to such  
21 terms and conditions, and contain such covenants,  
22 representations, warranties, and requirements (in-  
23 cluding requirements for audits), as the Secretary  
24 determines to be appropriate.

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

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

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

9           (3) PAYMENT.—A secured loan under this sec-  
10          tion—

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

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

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

22          (4) INTEREST RATE.—The interest rate on a  
23          secured loan under this section shall be not more  
24          than the yield on United States Treasury securities  
25          of a similar maturity to the maturity of the secured

1 loan on the date of execution of the loan agreement,  
2 as determined by the Secretary.

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

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

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

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

20 (c) REPAYMENT.—

21 (1) SCHEDULE.—The Secretary shall establish  
22 a repayment schedule for each secured loan provided  
23 under this section, based on the projected cash flow  
24 from project revenues and other repayment sources.

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

6           (3) DEFERRED PAYMENTS.—

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

17          (B) INTEREST.—Any payment deferred  
18          under subparagraph (A) shall—

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

22                 (ii) be scheduled to be amortized over  
23                 the remaining term of the secured loan.

24          (C) CRITERIA.—

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

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

9 (4) PREPAYMENT.—

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

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

24 (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 **SECTION 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 Before conveying eligible facilities under this chapter,  
14 the Secretary shall complete all actions required under all  
15 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 **SEC. 244. ELIGIBILITY CRITERIA.**

23 (a) ESTABLISHMENT.—The Secretary shall establish  
24 criteria for determining whether facilities are eligible for  
25 conveyance under this chapter.

1 (b) MINIMUM REQUIREMENTS.—

2 (1) AGREEMENT OF QUALIFYING ENTITY.—The  
3 criteria established under subsection (a) shall in-  
4 clude a requirement that a qualifying entity agree—

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

6 (B) to accept all liability for the eligible fa-  
7 cility, except as otherwise provided in section  
8 245;

9 (C) to use the eligible facility for substan-  
10 tially the same purposes the eligible facility is  
11 being used for at the time the Secretary evalu-  
12 ates the potential transfer; and

13 (D) to provide, as consideration for the as-  
14 sets to be conveyed, compensation to the United  
15 States in an amount that is the equivalent of  
16 the net present value of any repayment obliga-  
17 tion to the United States or other income  
18 stream the United States derives from the eligi-  
19 ble facility to be transferred as of the date of  
20 the transfer.

21 (2) DETERMINATIONS OF SECRETARY.—

22 (A) IN GENERAL.—The criteria established  
23 under subsection (a) shall include a require-  
24 ment that the Secretary, in consultation with  
25 the Governor of any State in which the project

1 is located, determine that the proposed trans-  
2 fer—

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

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

7 (I) there being no significant op-  
8 position to the proposed transfer;

9 (II) the eligible facility not being  
10 hydrologically integrated with other  
11 Federal or non-Federal water  
12 projects;

13 (III) the eligible facility not gen-  
14 erating significant quantities of elec-  
15 tric power sold to, or eligible to be  
16 sold to, power customers (other than  
17 the project itself); and

18 (IV) the parties to the transfer  
19 being able to reach agreement on  
20 legal, institutional, and financial ar-  
21 rangements relating to the convey-  
22 ance;

23 (iii) is consistent with the responsi-  
24 bility of the Secretary—

1 (I) to protect land and water re-  
2 sources held in trust for federally rec-  
3 ognized Indian tribes; and

4 (II) to ensure compliance with  
5 any applicable international treaties  
6 and interstate compacts; and

7 (iv) is in the financial interest of the  
8 United States.

9 (B) PUBLICATION.—The Secretary shall  
10 make publically available information on how  
11 the Secretary made the determinations under  
12 subparagraph (A).

13 (3) STATUS OF RECLAMATION LAND.—The cri-  
14 teria established under subsection (a) shall require  
15 that any land to be conveyed out of Federal owner-  
16 ship under this Act is—

17 (A) land acquired by the Secretary; or

18 (B) land withdrawn by the Secretary, only

19 if—

20 (i) the Secretary determines in writing  
21 that the withdrawn land is encumbered by  
22 reclamation project facilities to the extent  
23 that the withdrawn land is unsuitable for  
24 return to the public domain; and

1 (ii) the qualifying entity agrees to pay  
2 fair market value for the withdrawn land  
3 to be conveyed.

4 **SEC. 245. LIABILITY.**

5 (a) IN GENERAL.—Except as provided in subsection  
6 (b), effective beginning on the date of conveyance of any  
7 eligible facility under this chapter, the United States shall  
8 not be liable under any law for damages of any kind arising  
9 out of any act, omission, or occurrence based on the  
10 prior ownership or operation of the conveyed property.

11 (b) LIMITATION.—Notwithstanding subsection (a),  
12 the United States shall retain the responsibilities and au-  
13 thorities of the United States for a conveyed property  
14 based on the prior ownership or operation of the conveyed  
15 property by the United States under Federal environ-  
16 mental laws, including the Comprehensive Environmental  
17 Response, Compensation, and Liability Act of 1980 (42  
18 U.S.C. 9601 et seq.).

19 **SEC. 246. BENEFITS.**

20 After a conveyance of an eligible facility under this  
21 chapter—

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

24 (2) the entity to which the conveyed property is  
25 conveyed shall not be eligible to receive any benefits

1 with respect to the conveyed property (including  
2 project power), except for benefits that would be  
3 available to a similarly situated entity with respect  
4 to property that is not part of a reclamation project.

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

6 (a) IN GENERAL.—After a conveyance of title under  
7 this chapter, the qualifying entity to which the property  
8 is conveyed shall comply with all applicable Federal, State,  
9 and local laws (including regulations) in the operation of  
10 the conveyed property.

11 (b) EFFECT.—

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

14 (A) the laws of any State relating to the  
15 control, appropriation, use, or distribution of  
16 water used in irrigation or for any other pur-  
17 pose;

18 (B) any vested right acquired under State  
19 law; or

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

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

1 **SEC. 248. AUTHORIZATION OF APPROPRIATIONS.**

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

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

7 (1) to carry out the investigations to carry out  
8 this chapter; and

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

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

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

18 (2) shall be nonreimbursable.

19 **SEC. 249. TERMINATION OF AUTHORITY.**

20 The authority of the Secretary to carry out convey-  
21 ances under this chapter shall terminate 15 years after  
22 the date of enactment of this Act.

1 **Subtitle C—Innovative Stormwater**  
2 **Capture Program**

3 **SEC. 251. SHORT TITLE.**

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

6 **SEC. 252. PURPOSES AND FINDINGS.**

7 Congress finds that—

8 (1) many water resources in the United States  
9 are declining, particularly in urban and agricultural  
10 areas;

11 (2) the decline of water resources is the result  
12 of—

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

15 (B) the negative effects of urbanization,  
16 commercial and industrial activities, and in-  
17 creasing and persistent droughts;

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

21 (A) increased water supplies;

22 (B) the creation of jobs;

23 (C) cost savings; and

24 (D) a reduction of stormwater runoff, sur-  
25 face water discharge, stormwater pollution, and

1 stormwater flows to protect and restore natural  
2 hydrology, meeting local conditions to the max-  
3 imum extent feasible; and

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

9 **SEC. 253. DEFINITIONS.**

10 In this subtitle:

11 (1) ADMINISTRATOR.—The term “Adminis-  
12 trator” means the Administrator of the Environ-  
13 mental Protection Agency.

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

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

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

20 (B) a local, regional, or other entity that  
21 manages stormwater, drinking water resources,  
22 or waste water resources.

23 (4) ELIGIBLE INSTITUTION.—

24 (A) IN GENERAL.—The term “eligible in-  
25 stitution” means an institution of higher edu-

1 cation (as defined in section 101 of the Higher  
2 Education Act of 1965 (20 U.S.C. 1001)), or a  
3 research institution, that has demonstrated ex-  
4 cellence in innovative stormwater control infra-  
5 structure by—

6 (i) conducting research on innovative  
7 stormwater control infrastructure to deter-  
8 mine the means by which innovative infra-  
9 structure reduces stormwater runoff, en-  
10 hances and protects drinking water  
11 sources, and improves water quality;

12 (ii) developing and disseminating in-  
13 formation regarding the means by which  
14 an organization can use innovative  
15 stormwater control infrastructure;

16 (iii) providing technical assistance to  
17 an organization for an innovative  
18 stormwater control infrastructure project;

19 (iv) developing best practices stand-  
20 ards for innovative stormwater control in-  
21 frastructure;

22 (v) providing job training relating to  
23 innovative stormwater control infrastruc-  
24 ture;

25 (vi) developing course curricula for—

1 (I) elementary schools (as defined  
2 in section 9101 of the Elementary and  
3 Secondary Education Act of 1965 (20  
4 U.S.C. 7801));

5 (II) secondary schools (as defined  
6 in that section);

7 (III) institutions of higher edu-  
8 cation (as defined in section 101 of  
9 the Higher Education Act of 1965 (20  
10 U.S.C. 1001)); or

11 (IV) vocational schools;

12 (vii) training students regarding inno-  
13 vative stormwater control infrastructure; or

14 (viii) providing information to the  
15 Federal Government or State, tribal, and  
16 local governments regarding the implemen-  
17 tation of innovative stormwater control in-  
18 frastructure.

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

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

1 (ii) exempt from tax under section  
2 501(a) of the Internal Revenue Code of  
3 1986; and

4 (iii) organized and operated for re-  
5 search purposes.

6 (5) INDIAN TRIBE.—The term “Indian tribe”  
7 has the meaning given the term in section 518(h) of  
8 the Federal Water Pollution Control Act (33 U.S.C.  
9 1377(h)).

10 (6) STATE.—The term “State” means—

11 (A) each of the several States of the  
12 United States;

13 (B) the District of Columbia;

14 (C) the Commonwealth of Puerto Rico;

15 (D) Guam;

16 (E) American Samoa;

17 (F) the Commonwealth of the Northern  
18 Mariana Islands;

19 (G) the Federated States of Micronesia;

20 (H) the Republic of the Marshall Islands;

21 (I) the Republic of Palau; and

22 (J) the United States Virgin Islands.

23 (7) INNOVATIVE STORMWATER CONTROL INFRA-  
24 STRUCTURE.—

1 (A) IN GENERAL.—The term “innovative  
2 stormwater control infrastructure” means any  
3 green infrastructure stormwater management  
4 technique that—

5 (i) uses natural systems or engineered  
6 systems that mimic natural processes to  
7 infiltrate, evapotranspire, or capture  
8 stormwater; and

9 (ii) preserves, enhances, or mimics  
10 natural hydrology to protect or restore  
11 water quality.

12 (B) INCLUSIONS.—The term “innovative  
13 stormwater control infrastructure” includes—

14 (i) methods that promote absorption,  
15 uptake, percolation, evapotranspiration,  
16 and filtration by soil and plant life; and

17 (ii) the preservation or restoration  
18 of—

19 (I) natural topography, including  
20 hills, plains, ravines, and shorelines;

21 (II) interconnected networks of  
22 natural land that protect essential ec-  
23 ological functions critical for water  
24 quality;

1 (III) ecological function, includ-  
2 ing forests, grasslands, and deserts;

3 (IV) bodies of water, including  
4 lakes, flood plains, headwaters, and  
5 wetlands; and

6 (V) native soil characteristics of  
7 composition, structure, and  
8 transmissivity.

9 **SEC. 254. CENTERS OF EXCELLENCE FOR INNOVATIVE**  
10 **STORMWATER CONTROL INFRASTRUCTURE.**

11 (a) ESTABLISHMENT OF CENTERS.—

12 (1) IN GENERAL.—The Administrator shall pro-  
13 vide grants, on a competitive basis, to eligible insti-  
14 tutions to establish and maintain not less than 3,  
15 and not more than 5, centers of excellence for inno-  
16 vative stormwater control infrastructure, to be lo-  
17 cated in various regions throughout the United  
18 States.

19 (2) GENERAL OPERATION.—Each center  
20 shall—

21 (A) conduct research on innovative  
22 stormwater control infrastructure that is rel-  
23 evant to the geographical region in which the  
24 center is located, including stormwater and  
25 sewer overflow reduction, other approaches to

1 water resource enhancement, and other environ-  
2 mental, economic, and social benefits;

3 (B) develop manuals and establish industry  
4 standards on best management practices relat-  
5 ing to State, tribal, local, and commercial inno-  
6 vative stormwater control infrastructure for use  
7 by State, tribal, and local governments and the  
8 private sector;

9 (C) develop and administer testing and  
10 evaluation protocols to measure and verify the  
11 performance of stormwater infrastructure prod-  
12 ucts and practices;

13 (D) provide information regarding research  
14 conducted under subparagraph (A), manuals  
15 developed under subparagraph (B), and testing  
16 and evaluation performed under subparagraph  
17 (C) to the national electronic clearinghouse cen-  
18 ter for publication on the Internet website es-  
19 tablished under subsection (c) to provide to the  
20 Federal Government and State, tribal, and local  
21 governments and the private sector information  
22 regarding innovative stormwater control infra-  
23 structure;

24 (E) provide technical assistance to State,  
25 tribal, and local governments to assist with the

1 construction, operation, and maintenance of in-  
2 novative stormwater control infrastructure  
3 projects;

4 (F) collaborate with institutions of higher  
5 education and private and public organizations  
6 in the geographical region in which the center  
7 is located on innovative stormwater control in-  
8 frastructure research and technical assistance  
9 projects;

10 (G) assist institutions of higher education,  
11 secondary schools, and vocational schools to de-  
12 velop innovative stormwater control infrastruc-  
13 ture curricula;

14 (H) provide training regarding innovative  
15 stormwater control infrastructure to institutions  
16 of higher education and professional schools;

17 (I) evaluate regulatory and policy issues  
18 relating to innovative stormwater control infra-  
19 structure; and

20 (J) coordinate with the other centers to  
21 avoid duplication of efforts.

22 (b) APPLICATION.—To be eligible to receive a grant  
23 under this section, an eligible institution shall prepare and  
24 submit to the Administrator an application at such a time,

1 in such form, and containing such information as the Ad-  
2 ministrator may require.

3 (c) NATIONAL ELECTRONIC CLEARINGHOUSE CEN-  
4 TER.—Of the centers established under subsection (a)(1),  
5 one shall—

6 (1) be designated as the “national electronic  
7 clearinghouse center”; and

8 (2) in addition to the other functions of that  
9 center—

10 (A) develop, operate, and maintain an  
11 Internet website and a public database that  
12 contain information relating to innovative  
13 stormwater control infrastructure; and

14 (B) post to the website information from  
15 all centers.

16 **SEC. 255. INNOVATIVE STORMWATER CONTROL INFRA-**  
17 **STRUCTURE PROJECT GRANTS.**

18 (a) GRANT AUTHORITY.—The Administrator shall  
19 provide grants, on a competitive basis, to eligible entities  
20 to carry out innovative stormwater control infrastructure  
21 projects in accordance with this section.

22 (b) INNOVATIVE STORMWATER CONTROL INFRA-  
23 STRUCTURE PROJECTS.—

24 (1) PLANNING AND DEVELOPMENT GRANTS.—

25 The Administrator may make planning and develop-

1       ment grants under this section for the following  
2       projects:

3               (A) Planning and designing innovative  
4       stormwater control infrastructure projects, in-  
5       cluding engineering surveys, landscape plans,  
6       maps, and implementation plans.

7               (B) Identifying and developing standards  
8       and revisions to local zoning, building, or other  
9       local codes necessary to accommodate innova-  
10      tive stormwater control infrastructure projects.

11              (C) Identifying and developing fee struc-  
12      tures to provide financial support for design, in-  
13      stallation, and operations and maintenance of  
14      innovative stormwater control infrastructure.

15              (D) Developing training and educational  
16      materials regarding innovative stormwater con-  
17      trol infrastructure for distribution to—

18                      (i) individuals and entities with appli-  
19                      cable technical knowledge; and

20                      (ii) the public.

21              (E) Developing an innovative stormwater  
22      control infrastructure portfolio standard pro-  
23      gram described in section 6(e).

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

4                   (A) Installing innovative stormwater con-  
5                   trol infrastructure.

6                   (B) Protecting or restoring interconnected  
7                   networks of natural areas that protect water  
8                   quality.

9                   (C) Monitoring and evaluating the environ-  
10                  mental, economic, or social benefits of innova-  
11                  tive stormwater control infrastructure.

12                  (D) Implementing a best practices stand-  
13                  ard for an innovative stormwater control infra-  
14                  structure program.

15                  (E)    Implementing    an    innovative  
16                  stormwater    control    infrastructure    portfolio  
17                  standard program described in section 6(e).

18           (c) APPLICATION.—Except as otherwise provided in  
19           this Act, to be eligible to receive a grant under this section,  
20           an eligible entity shall prepare and submit to the Adminis-  
21           trator an application at such time, in such form, and con-  
22           taining such information as the Administrator may re-  
23           quire, including, as applicable—

24                   (1) a description of the innovative stormwater  
25                   control infrastructure project;

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

4           (3) an evaluation of other environmental, eco-  
5           nomic, and social benefits of the innovative  
6           stormwater control infrastructure project; and

7           (4) a plan for the long-term operation and  
8           maintenance of the innovative stormwater control in-  
9           frastructure project.

10       (d) **ADDITIONAL REQUIREMENT FOR INNOVATIVE**  
11 **STORMWATER CONTROL INFRASTRUCTURE PORTFOLIO**  
12 **STANDARD PROJECT.**—In addition to an application  
13 under subsection (c), a State or Indian tribe applying for  
14 a grant for an innovative stormwater control infrastruc-  
15 ture portfolio standard program described in section 6(e)  
16 shall prepare and submit to the Administrator a schedule  
17 of increasing minimum percentages of the annual water  
18 to be managed using innovative stormwater control infra-  
19 structure under the program.

20       (e) **PRIORITY.**—In making grants under this section,  
21 the Administrator shall give priority to applications sub-  
22 mitted on behalf of—

23           (1) a community that—

1 (A) has combined storm and sanitary sew-  
2 ers in the collection system of the community;  
3 or

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

6 (2) an eligible entity that will use not less than  
7 10 percent of the grant to provide service to a low-  
8 income or disadvantaged community, as determined  
9 by the Administrator.

10 (f) MAXIMUM AMOUNTS.—

11 (1) PLANNING AND DEVELOPMENT GRANTS.—

12 (A) SINGLE GRANT.—The amount of a sin-  
13 gle planning and development grant provided  
14 under this section shall be not more than  
15 \$200,000.

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

21 (2) IMPLEMENTATION GRANTS.—

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

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

6           (g) FEDERAL SHARE.—

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

11          (2) CREDIT FOR IMPLEMENTATION GRANTS.—  
12          The Administrator shall credit toward the non-Fed-  
13          eral share of the cost of an implementation project  
14          carried out under this section the cost of planning,  
15          design, and construction work completed for the  
16          project using funds other than funds provided under  
17          this Act.

18          (3) EXCEPTION.—The Administrator may waive  
19          the Federal share limitation under paragraph (1) for  
20          an eligible entity that has adequately demonstrated  
21          financial need.

1 **SEC. 256. ENVIRONMENTAL PROTECTION AGENCY INNOVA-**  
2 **TIVE STORMWATER CONTROL INFRASTRUC-**  
3 **TURE PROMOTION.**

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

13 (b) DUTIES.—The Administrator shall ensure that  
14 the Office of Water—

15 (1) promotes the use of innovative stormwater  
16 control infrastructure in the programs of the Envi-  
17 ronmental Protection Agency;

18 (2) supports establishing public-private partner-  
19 ships and other innovative financing mechanisms in  
20 the implementation of innovative stormwater control  
21 infrastructure; and

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

24 (A) other Federal departments and agen-  
25 cies;

1 (B) State, tribal, and local governments;  
2 and  
3 (C) the private sector.

4 (c) REGIONAL INNOVATIVE STORMWATER CONTROL  
5 INFRASTRUCTURE PROMOTION.—The Administrator shall  
6 direct each regional office of the Environmental Protection  
7 Agency, as appropriate based on local factors, to promote  
8 and integrate the use of innovative stormwater control in-  
9 frastructure within the region that includes—

10 (1) a plan for monitoring, financing, mapping,  
11 and designing the innovative stormwater control in-  
12 frastructure;

13 (2) outreach and training regarding innovative  
14 stormwater control infrastructure implementation  
15 for State, tribal, and local governments, tribal com-  
16 munities, and the private sector; and

17 (3) the incorporation of innovative stormwater  
18 control infrastructure into permitting and other reg-  
19 ulatory programs, codes, and ordinance development,  
20 including the requirements under consent decrees  
21 and settlement agreements in enforcement actions.

22 (d) INNOVATIVE STORMWATER CONTROL INFRA-  
23 STRUCTURE INFORMATION-SHARING.—The Administrator  
24 shall promote innovative stormwater control infrastructure  
25 information-sharing, including through an Internet

1 website, to share information with, and provide technical  
2 assistance to, State, tribal, and local governments, tribal  
3 communities, the private sector, and the public regarding  
4 innovative stormwater control infrastructure approaches  
5 for—

6 (1) reducing water pollution;

7 (2) protecting water resources;

8 (3) complying with regulatory requirements;

9 and

10 (4) achieving other environmental, public  
11 health, and community goals.

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

20 **SEC. 257. REPORT TO CONGRESS.**

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

24 (1) a description of all grants provided under  
25 this Act;

1 (2) a detailed description of—

2 (A) the projects supported by those grants;

3 and

4 (B) the outcomes of those projects;

5 (3) a description of the improvements in tech-

6 nology, environmental benefits, resources conserved,

7 efficiencies, and other benefits of the projects funded

8 under this Act;

9 (4) recommendations for improvements to pro-

10 mote and support innovative stormwater control in-

11 frastructure for the centers, grants, and activities

12 under this Act; and

13 (5) a description of existing challenges con-

14 cerning the use of innovative stormwater control in-

15 frastructure.

16 **SEC. 258. AUTHORIZATION OF APPROPRIATIONS.**

17 There are authorized to be appropriated to carry out

18 this Act such sums as are necessary for each of fiscal

19 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 ervoires 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 shall identify any projects  
2 from the report that meet the following criteria:

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

7 (2) Future revision of a water operations man-  
8 ual, including flood control rule curves, based on the  
9 use of improved weather forecasting or run-off fore-  
10 casting methods, new watershed data, or changes to  
11 project operations, would be likely to enhance the ex-  
12 isting authorized project purposes for water supply  
13 storage capacity and reliability, or flood control op-  
14 erations.

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

20 (1) The owner of the non-Corps project has  
21 submitted to the Secretary of the Army a formal re-  
22 quest to review or revise the operations manual or  
23 flood control rule curves to accommodate new water-  
24 shed data or projected project modifications or oper-  
25 ational changes.

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

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

10          (e) COORDINATION WITH NON-FEDERAL PROJECT  
11          SPONSOR.—

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

20           (2) DEFINITION.—In this subsection, the term  
21           “non-Federal project sponsor” means an entity or a  
22           local government entity, including a municipal water  
23           district, that currently manages (in whole or in part)  
24           an Army Corps of Engineers dam or reservoir.

1 (f) FORECAST-BASED RESERVOIR OPERATIONS

2 PLAN.—As part of the pilot project under subsection (d),  
3 the Secretary, in designing and implementing a forecast-  
4 based reservoir operations plan, shall include the fol-  
5 lowing:

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

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

16 (3) Improved hydrologic forecasting for precipi-  
17 tation, snowpack, and soil moisture conditions.

18 (4) An adjustment of operational flood control  
19 rule curves to optimize water supply storage and re-  
20 liability, hydropower production, environmental bene-  
21 fits for flows and temperature, and other authorized  
22 project benefits, without a reduction in flood safety.

23 (5) Proactive management in response to  
24 changes in forecasts.

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

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

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

22 (j) CHANGE TO OPERATIONS MANUAL.—Not later  
23 than 180 days after the completion of a change to the  
24 operations manual or flood control rule curves, the Sec-  
25 retary shall submit a report to the appropriate committees

1 of Congress regarding the components of the forecast-  
2 based reservoir operations plan incorporated into the  
3 change.

4 **Subtitle C—Reclamation Projects**  
5 **for Renewable Energy to Re-**  
6 **duce Evaporation Loss**

7 **SEC. 320. FINDINGS AND PURPOSE.**

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

9 (1) evaporative loss along Bureau of Reclama-  
10 tion reservoirs, canals, and other conveyance systems  
11 reduces the quantity and reliability of water deliv-  
12 eries;

13 (2) drought and extreme aridity from changing  
14 weather patterns will contribute to increased evapo-  
15 rative loss in the future; and

16 (3) existing Central Valley Project operations  
17 assume a conveyance loss for evaporation and seep-  
18 age south of the Delta of 150,000 acre-feet annu-  
19 ally.

20 (b) PURPOSE.—The purpose of this subtitle is to ex-  
21 pand investments in infrastructure for Bureau of Rec-  
22 lamation reservoirs, canals, and other conveyance systems,  
23 that will provide shade, reduce evaporative loss, and in-  
24 crease water supplies in the arid western States.

1 **SEC. 321. DEFINITIONS.**

2 In this subtitle:

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

5 (A) land under the administrative jurisdic-  
6 tion of the Bureau of Reclamation; and

7 (B) not excluded from the development of  
8 solar or wind energy under—

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

13 (ii) Federal law.

14 (2) FUND.—The term “Fund” means the Fish  
15 and Wildlife Restoration Fund established under  
16 section 324.

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

21 (4) SECRETARY.—The term “Secretary” means  
22 the Secretary of the Interior.

23 **SEC. 322. EVALUATION AND REPORT.**

24 (a) IN GENERAL.—Not later than one year after the  
25 date of the enactment of this Act, the Secretary shall com-  
26 plete an evaluation and report to Congress on the potential

1 for developing rights-of-way along Bureau of Reclamation  
2 canals and infrastructure, including reservoirs, for solar  
3 or wind energy production through leasing of lands or  
4 other means.

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

6 (1) the location of potential rights-of-way for  
7 energy production;

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

11 (3) the total acreage available for energy pro-  
12 duction;

13 (4) existing transmission infrastructure at such  
14 locations;

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

17 (6) estimates of energy development potential  
18 at sites.

19 **SEC. 323. DEVELOPMENT OF SOLAR AND WIND ENERGY ON**  
20 **COVERED LAND.**

21 (a) PILOT PROGRAM ON SELECTED COVERED  
22 LAND.—

23 (1) ESTABLISHMENT.—Not later than 180 days  
24 after the date of the enactment of this Act, the Sec-  
25 retary shall establish a wind and solar energy leas-

1       ing pilot program under which the Secretary con-  
2       ducts lease sales of certain sites located on covered  
3       land for purposes of carrying out wind and solar en-  
4       ergy projects.

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

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

10           (i) 1 site for the development of a  
11       solar energy project; and

12           (ii) 1 site for the development of a  
13       wind energy project.

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

16           (i) give a preference to sites that the  
17       Secretary determines—

18           (I) are likely to attract a high  
19       level of wind and solar energy indus-  
20       try interest;

21           (II) would likely have a positive  
22       impact on water supply through re-  
23       ducing water loss from evaporation by  
24       providing shade and temperature re-  
25       ductions, or beneficial impacts from

1 energy production and infrastructure;  
2 and

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

7 (ii) take into consideration the value  
8 of the multiple resources of the covered  
9 land on which such sites are located; and

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

16 (3) LEASE SALES OF PROJECT SITES.—

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

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

25 (i) limited to one round;

- 1 (ii) open only to bidders who—
- 2 (I) submit a plan of development
- 3 for such site together with the bid;
- 4 and
- 5 (II) the Secretary determines are
- 6 qualified under subparagraph (C)(ii);
- 7 and
- 8 (iii) conducted using a bidding system
- 9 selected by the Secretary, including—
- 10 (I) a cash bonus bids system re-
- 11 quiring payment of the royalty estab-
- 12 lished under this Act;
- 13 (II) a variable royalty bids sys-
- 14 tem based on a percentage of the
- 15 gross proceeds from the sale of elec-
- 16 tricity produced from the site offered
- 17 for lease, except that the royalty shall
- 18 not be less than the royalty required
- 19 under this Act, together with a fixed
- 20 cash bonus; or
- 21 (III) such other bidding system
- 22 as ensures a fair return to the public
- 23 consistent with the royalty established
- 24 under this Act.

1 (C) BIDDER QUALIFICATIONS.—The Sec-  
2 retary shall—

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

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

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

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

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

23 (V) possess such other qualifica-  
24 tions as the Secretary determines are  
25 necessary; and

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

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

14 (4) LEASE TERMS.—

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

19 (B) SHORT-TERM LEASES FOR DATA COL-  
20 LECTION.—In carrying out this subsection, the  
21 Secretary shall—

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

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

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

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

22                   (A) the level of competitive interest;

23                   (B) a summary of bids and revenues re-  
24           ceived; and

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

3 (7) OTHER LAWS.—

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

8 (i) all Federal laws applicable to lands  
9 under the administrative jurisdiction of the  
10 Bureau of Land Management; and

11 (ii) Federal or State environmental  
12 laws or any other relevant laws.

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

22 (8) ENFORCEMENT OF FEDERAL LAND POLICY  
23 MANAGEMENT.—

24 (A) IN GENERAL.—Sections 302(c) and  
25 303 of the Federal Land Policy and Manage-

1           ment Act of 1976 (43 U.S.C. 1732(c), 1733)  
2           shall apply to activities conducted on sites on  
3           covered land offered for lease under this sub-  
4           section.

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

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

20          (c) EXPANSION OF PILOT PROGRAM TO ALL COV-  
21        ERED LAND.—

22                   (1) JOINT DETERMINATION REQUIRED.—Not  
23        later than 5 years after the date of the enactment  
24        of this Act, the Secretary shall determine whether to  
25        expand the pilot program established under sub-

1 section (a) to apply to all covered land, including  
2 sites with respect to which leases were issued under  
3 subsection (a). In making such determination, the  
4 Secretary shall—

5 (A) take into consideration the results of  
6 the pilot program;

7 (B) consult with—

8 (i) the heads of Federal agencies and  
9 relevant State agencies (including State  
10 fish and wildlife agencies);

11 (ii) interested States, Indian tribes,  
12 and local governments;

13 (iii) representatives of the solar and  
14 wind energy industries;

15 (iv) representatives of the environ-  
16 ment, conservation, and outdoor sporting  
17 communities; and

18 (v) the public; and

19 (C) consider whether such expansion—

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

22 (ii) is in the public interest.

23 (2) **EXPANSION AUTHORIZED.**—The Secretary  
24 shall expand pilot program only if the Secretary de-

1       terminated to expand the pilot program under para-  
2       graph (1).

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

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

16          (5) APPLICABILITY OF PROVISIONS OF PILOT  
17      PROGRAM TO EXPANDED PROGRAM.—

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

24           (B) COMPETITIVE LEASING NOT REQUIRED  
25      UNDER CERTAIN CIRCUMSTANCES.—The re-

1           requirement under subsection (a)(3) that a lease  
2           be sold on a competitive basis shall not apply  
3           to a lease issued under this subsection if the  
4           Secretary determines that—

5                   (i) no competitive interest exists for  
6                   the covered land offered for lease;

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

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

12           (6) PAYMENTS.—

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

18                   (B) BONUS BIDS.—The Secretary may  
19                   grant credit toward any bonus bid for a quali-  
20                   fied expenditure by the holder of a lease de-  
21                   scribed in paragraph (7)(A)(ii) in any competi-  
22                   tive lease sale held for a long-term lease of the  
23                   covered land that is the subject of the lease de-  
24                   scribed in such paragraph.

25                   (C) READJUSTMENT.—

1 (i) IN GENERAL.—Royalties and other  
2 terms and conditions of a lease issued  
3 under this subsection shall be subject to  
4 readjustment—

5 (I) on the date that is 15 years  
6 after the date on which the lease is  
7 issued; and

8 (II) every 10 years thereafter.

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

21 (7) LEASE DURATION, ADMINISTRATION, AND  
22 READJUSTMENT.—

23 (A) DURATION.—

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

4 (I) an initial term of 25 years;  
5 and

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

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

19 (B) ADMINISTRATION.—The Secretary of  
20 the Interior shall establish terms and conditions  
21 for the issuance, transfer, renewal, suspension,  
22 and cancellation of a lease issued under this  
23 subsection.

24 (C) READJUSTMENT PROVISION RE-  
25 QUIRED.—Each lease issued under this sub-

1 section shall provide for readjustment in ac-  
2 cordance with subparagraph (A).

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

9 (9) SECURITY.—

10 (A) IN GENERAL.—The Secretary shall re-  
11 quire that the holder of a lease issued under  
12 this subsection—

13 (i) furnish a surety bond or other  
14 form of security, as prescribed by the Sec-  
15 retary;

16 (ii) provide for the reclamation and  
17 restoration of the covered land that is the  
18 subject of the lease; and

19 (iii) comply with such other require-  
20 ments as the Secretary considers necessary  
21 to protect the interests of the public and  
22 the United States.

23 (B) PERIODIC REVIEW.—Not less fre-  
24 quently than once every 5 years, the Secretary  
25 shall conduct a review of the adequacy of the

1           surety bond or other form of security provided  
2           by the holder of a lease issued under this sub-  
3           section.

4 **SEC. 324. ROYALTIES.**

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

12           (1) encourages production of solar or wind en-  
13           ergy;

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

17           (3) encourages the maximum energy generation  
18           while disturbing the least quantity of covered land  
19           and other natural resources, including water.

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

23           (c) EXCLUSIVE PAYMENT ON SALE OF ELEC-  
24 TRICITY.—The royalty under subsection (a) shall be the  
25 only rent, royalty, or similar payment to the Federal Gov-

1 ernment required with respect to the sale of electricity pro-  
2 duced under a lease issued under section 323.

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

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

10 (2) the royalty reduction is in the public inter-  
11 est.

12 (e) ENFORCEMENT.—

13 (1) AUDITING SYSTEM.—The Secretary shall  
14 establish a comprehensive inspection, collection, fis-  
15 cal, and production accounting and auditing sys-  
16 tem—

17 (A) to accurately determine royalties, in-  
18 terest, fines, penalties, fees, deposits, and other  
19 payments owed under this subtitle; and

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

22 (2) APPLICABILITY OF FEDERAL OIL AND ROY-  
23 ALTY MANAGEMENT ACT OF 1982.—The provisions of  
24 the Federal Oil and Gas Royalty Management Act  
25 of 1982 (30 U.S.C. 1701 et seq.) (including the civil

1 and criminal enforcement provisions of such Act)  
2 shall apply to leases issued under this subtitle with  
3 respect to wind and solar energy projects in the  
4 same manner as such provisions apply to oil and gas  
5 leases.

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

14 (1) the total revenues received (by category) on  
15 an annual basis as royalties from wind and solar en-  
16 ergy development and production (specified by en-  
17 ergy source) on covered land;

18 (2) whether the revenues received for the devel-  
19 opment of wind and solar energy development are  
20 comparable to the revenues received for similar de-  
21 velopment on State or private land;

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

1           (4) any recommendations with respect to  
2           changes in Federal law (including regulations) relat-  
3           ing to the amount or method of collection (including  
4           auditing, compliance, and enforcement) of the royal-  
5           ties.

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

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

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

14               (1) 25 percent shall be paid by the Secretary of  
15               the Treasury to States within the boundaries of  
16               which the royalties or bonuses are derived, to be al-  
17               located among such States based on the percentage  
18               of covered land from which such royalties or bonuses  
19               are derived in each State.

20               (2) 25 percent shall be paid by the Secretary of  
21               the Treasury to the counties within the boundaries  
22               of which the royalties or bonuses are derived, to be  
23               allocated among such counties based on the percent-  
24               age of covered land from which such royalties or bo-  
25               nuses are derived in each county.

1           (3) 25 percent shall be deposited into the Fish  
2 and Wildlife Restoration Fund established by sub-  
3 section (b) and used in accordance with that sub-  
4 section.

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

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

21 (b) FISH AND WILDLIFE RESTORATION FUND.—

22           (1) ESTABLISHMENT.—There is established in  
23 the Treasury a Fish and Wildlife Restoration Fund  
24 to be administered by the Secretary of the Interior  
25 for use in regions impacted by the development of

1       hydropower by Federal agencies, including the Bu-  
2       reau of Reclamation, and the development of wind or  
3       solar energy on Bureau of Reclamation land.

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

8           (A) protecting and restoring important fish  
9       and wildlife habitat and native populations in  
10      such regions, including corridors, water re-  
11      sources, and other sensitive land; and

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

15          (3) AVAILABILITY OF AMOUNTS.—Amounts in  
16      the Fund shall be available for expenditure, in ac-  
17      cordance with this subsection, without further appro-  
18      priation and without fiscal year limitation.

19          (4) INVESTMENT OF FUND.—

20           (A) IN GENERAL.—Any amounts deposited  
21      in the Fund shall earn interest in an amount  
22      determined by the Secretary of the Treasury on  
23      the basis of the current average market yield on  
24      outstanding marketable obligations of the  
25      United States of comparable maturities.

1 (B) DEPOSIT.—Any interest earned under  
2 subparagraph (A) shall be deposited into the  
3 Fund.

4 (5) MITIGATION REQUIREMENTS.—The expend-  
5 iture of funds under this subsection shall be sepa-  
6 rate and distinct from any mitigation requirements  
7 imposed pursuant to any law, regulation, or term or  
8 condition of any lease, right-of-way, or other author-  
9 ization.

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

12 (1) CERTIFICATION BY SECRETARY.—At the  
13 end of the period described in subsection (a)(4), the  
14 Secretary shall certify whether the State offices re-  
15 ferred to in such subsection have adequately reduced  
16 the renewable energy permitting backlog referred to  
17 in such subsection.

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

20 (A) the State offices referred to in such  
21 paragraph have not adequately reduced the  
22 backlog referred to in such paragraph—

23 (i) the period described in subsection  
24 (a)(4) shall be extended by an additional  
25 15-year period; and

1 (ii) payments shall continue to be  
2 made during that period as described in  
3 such subsection; or

4 (B) the State offices referred to in such  
5 paragraph have adequately reduced such back-  
6 log—

7 (i) two-thirds of the amount otherwise  
8 required to be paid under subsection (a)(4)  
9 shall be added to the amount deposited in  
10 the Fund established under subsection (b);  
11 and

12 (ii) one-third of such amount shall be  
13 deposited into the general fund of the  
14 Treasury for purposes of reducing the an-  
15 nual Federal budget deficit.

16 (d) PAYMENTS TO STATES AND COUNTIES.—

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

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

1 **Subtitle D—Improved Reclamation**  
2 **Crop Data**

3 **SEC. 331. DEFINITIONS.**

4 For the purposes of this subtitle:

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

16 (2) **DROUGHT EMERGENCY.**—The term  
17 “drought emergency” means a period when a state  
18 of drought emergency declared by the Governor of  
19 the State is in effect.

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

1           (4) SECRETARY.—The term “Secretary” means  
2           the Secretary of the Interior, acting through the  
3           Commissioner of the Bureau of Reclamation.

4           (5) WATER-INTENSE PERMANENT CROP.—The  
5           term “water-intense permanent crop” means any  
6           crop considered by the Secretary, after consultation  
7           with the Secretary of Agriculture, to be  
8           unsustainable for an area given its expected level of  
9           rainfall in the absence of the federally developed  
10          water supply.

11 **SEC. 332. DETERMINATION OF PLANTING OF WATER-IN-**  
12 **TENSE PERMANENT CROPS.**

13          The Secretary shall survey agricultural water con-  
14 tracts related to federally developed water supplies to de-  
15 termine if water-intense permanent crops have been plant-  
16 ed by or on behalf of the customers or beneficiaries of any  
17 agricultural water contract during a drought emergency.  
18 The survey shall include the examination of all such con-  
19 tracts in effect at any time during the period from the  
20 date of the enactment of this Act and until the date that  
21 is 10 years before the date of the enactment of this Act.

22 **SEC. 333. REPORT RELATED TO WATER-INTENSE PERMA-**  
23 **NENT CROPS.**

24          Not later than 90 days after the date of the enact-  
25 ment of this Act, the Secretary shall submit a report based

1 on the survey conducted pursuant to section 331 and other  
2 information available to the Secretary to Congress that in-  
3 cludes—

4 (1) the number and location of acres put into  
5 production of water-intense permanent crops during  
6 a drought emergency;

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

9 (3) the impact that putting the water-intense  
10 permanent crops into production had and is pro-  
11 jected to have on the water demands for the agricul-  
12 tural water contracts and federally developed water  
13 supply related to those crops.

## 14 **Subtitle E—Improved Oversight of** 15 **State Injection Wells**

### 16 **SEC. 341. AMENDMENT TO THE SAFE DRINKING WATER** 17 **ACT.**

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

21 “(f) For the purposes of subsection (c), if the Admin-  
22 istrator finds that a State has, at any time, improperly  
23 issued permits under the State’s underground injection  
24 control program and the State fails to address such defi-  
25 ciencies and take sufficient remedial action, as determined

1 by the Administrator, by the date that is 90 days after  
2 the date on which the Administrator notifies the State of  
3 such finding, the State shall be considered to no longer  
4 meet the requirements of clause (i) or (ii) of subsection  
5 (b)(1)(A) until such time as the State has addressed the  
6 deficiencies and taken sufficient remedial action, as deter-  
7 mined by the Administrator.”.

8 **Subtitle F—Combating Water Theft**  
9 **for Illegal Marijuana Cultivation**

10 **SEC. 351. POLICY DIRECTIVE ON ILLEGAL WATER DIVER-**  
11 **SION FOR MARIJUANA CULTIVATION.**

12 Not later than 90 days after the date of enactment  
13 of this Act, the Director of National Drug Control Policy,  
14 in collaboration with the Secretary of the Interior and the  
15 Administrator of the Environmental Protection Agency,  
16 shall determine the amount of water diverted for mari-  
17 juana cultivation in each of the high intensity drug traf-  
18 ficking areas (as designated under section 707 of the Of-  
19 fice of National Drug Control Policy Reauthorization Act  
20 of 1998 (21 U.S.C. 1706)) within the State of California  
21 and other States with declared droughts.

1 **SEC. 352. ENVIRONMENTAL REPORTING REQUIREMENTS**  
2 **FOR DOMESTIC CANNABIS ERADICATION**  
3 **PROGRAM.**

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

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

16 Not later than 180 days after the date of enactment  
17 of this Act, the Attorney General shall establish and main-  
18 tain a registry, in which reports received by the Attorney  
19 General of incidents of cultivation of marijuana on Federal  
20 or State property or while intentionally trespassing on the  
21 property of another will be recorded and, to the extent  
22 feasible, made available to the public.

23 **SEC. 354. FUNDING FOR REMEDIATION OF TRESPASS MARI-**  
24 **JUANA SITES.**

25 Title 31, United States Code, is amended in sub-  
26 section (a)(1) of the second section 9703 (relating to the

1 Department of the Treasury Forfeiture Fund) by adding  
2 at the end the following:

3 “(K)(i) Payment to the designated State,  
4 local, or tribal law enforcement, environmental,  
5 or health entity necessary for the remediation  
6 of any area formerly used for the production or  
7 cultivation of a controlled substance in con-  
8 travention of State law.

9 “(ii) If the site is located on private prop-  
10 erty, not more than 90 percent of the costs as-  
11 sociated with the remediation of the site may be  
12 paid under this subparagraph and such costs  
13 may only be paid if—

14 “(I) the property owner did not have  
15 knowledge of the existence or operation of  
16 such site before the law enforcement action  
17 to close it; or

18 “(II) the property owner notifies law  
19 enforcement not later than 72 hours after  
20 discovering the existence of such site.”.

21 **SEC. 355. VOLUNTARY GUIDELINES.**

22 (a) ESTABLISHMENT OF VOLUNTARY GUIDELINES.—  
23 Not later than 6 months after the date of enactment of  
24 this Act, the Secretary of Agriculture (in this section re-  
25 ferred to as the “Secretary”), in consultation with other

1 appropriate Federal agencies, including the Environ-  
2 mental Protection Agency, shall establish voluntary guide-  
3 lines, based on the best currently available scientific  
4 knowledge—

5 (1) for the remediation of former indoor and  
6 outdoor marijuana cultivation and processing sites,  
7 including guidelines regarding preliminary site as-  
8 sessment and the remediation of residual contami-  
9 nants and ecosystems; and

10 (2) for State, local, and tribal governments to  
11 use in developing and implementing laws, regula-  
12 tions, guidelines, and other policies that apply the  
13 best available research and technology to the remedi-  
14 ation of former indoor and outdoor marijuana cul-  
15 tivation and processing sites.

16 (b) CONSIDERATIONS.—In establishing the voluntary  
17 guidelines under subsection (a), the Secretary shall con-  
18 sider, at a minimum—

19 (1) relevant standards, guidelines, and require-  
20 ments found in Federal, State, tribal, and local laws  
21 and regulations;

22 (2) the various types and locations of former  
23 marijuana cultivation or processing sites, including  
24 both indoor and outdoor sites; and

1           (3) the estimated costs of carrying out any such  
2           guidelines.

3           (c) CONSULTATION.—The Secretary shall work with  
4           State, local, and tribal governments and other non-Federal  
5           agencies and organizations the Secretary determines rel-  
6           evant to promote and encourage the adoption of the vol-  
7           untary guidelines.

8           (d) REVISIONS TO THE GUIDELINES.—The Secretary  
9           shall periodically review and, as the Secretary, in consulta-  
10          tion with State, local, and tribal governments and other  
11          interested parties, determines necessary and appropriate,  
12          revise the voluntary guidelines to incorporate findings of  
13          the research conducted pursuant to section 356 and other  
14          new knowledge.

15       **SEC. 356. RESEARCH PROGRAM.**

16          The Secretary of Agriculture, in consultation with  
17          other appropriate Federal agencies, including the Environ-  
18          mental Protection Agency, shall establish a program of re-  
19          search to support the development and revision of the vol-  
20          untary guidelines established under section 355. Such pro-  
21          gram shall—

22               (1) identify marijuana cultivation or processing-  
23               related chemicals of concern;

24               (2) assess the types and levels of exposure to  
25               chemicals of concern identified under paragraph (1)

1 that may present significant adverse biological ef-  
2 fects, and identify actions and additional research  
3 necessary to remediate such biological effects;

4 (3) assess the impacts of marijuana cultivation  
5 and processing on waterways and bodies of water,  
6 and identify actions and additional research nec-  
7 essary to remediate such impacts;

8 (4) evaluate the performance of current remedi-  
9 ation techniques for marijuana cultivation and proc-  
10 essing sites;

11 (5) identify areas where additional research is  
12 necessary, including research relating to—

13 (A) the impacts of indoor and outdoor  
14 marijuana cultivation and processing, including  
15 biological and hydrological effects and impacts  
16 to soil and landscape, such as the potential for  
17 erosion; and

18 (B) the remediation of former indoor or  
19 outdoor marijuana cultivation or processing  
20 sites;

21 (6) support other research priorities identified  
22 by the Secretary, in consultation with State, local,  
23 and tribal governments and other interested parties;  
24 and

1 (7) include collaboration with colleges and uni-  
2 versities currently engaged in research on any mat-  
3 ter described in this section or additional research  
4 priorities determined appropriate by the Secretary.

## 5 **TITLE IV—PLANNING FOR THE** 6 **FUTURE**

### 7 **Subtitle A—X-Prize for** 8 **Desalination Breakthroughs**

#### 9 **SEC. 401. SHORT TITLE.**

10 This subtitle may be cited as the “Water Innovation  
11 and Prize Competition Act of 2015”.

#### 12 **SEC. 402. WATER TECHNOLOGY AWARD PROGRAM.**

13 (a) PROGRAM ESTABLISHED.—The Secretary of En-  
14 ergy shall, in consultation with the Administrator of the  
15 Environmental Protection Agency and the Secretary of the  
16 Interior, working through the Bureau of Reclamation, es-  
17 tablish a program to award prizes to eligible persons de-  
18 scribed in subsection (b) for achievement in 1 or more of  
19 the following applications of water technology:

20 (1) Demonstration of desalination of brackish  
21 or sea water with significantly less energy than com-  
22 mercially available reverse osmosis technology.

23 (2) Demonstration of portable or modular de-  
24 salination units that can process 1 to 5,000,000 gal-  
25 lons per day that could be deployed for temporary

1 emergency uses in coastal communities or commu-  
2 nities with brackish ground water supplies.

3 (3) Demonstration of significant advantages  
4 over commercially available reverse osmosis tech-  
5 nology as determined by the board established under  
6 subsection (c).

7 (b) ELIGIBLE PERSON.—An eligible person described  
8 in this subsection is—

9 (1) an individual who is—

10 (A) a citizen or legal resident of the  
11 United States; or

12 (B) a member of a group that includes  
13 citizens or legal residents of the United States;  
14 or

15 (2) an entity that is incorporated and maintains  
16 its primary place of business in the United States.

17 (c) ESTABLISHMENT OF BOARD.—

18 (1) IN GENERAL.—The Secretary of Energy  
19 shall establish a board to administer the program es-  
20 tablished under subsection (a).

21 (2) MEMBERSHIP.—The board shall be com-  
22 posed of not less than 15 and not more than 21  
23 members appointed by the President, of whom—

24 (A) not less than 1 shall—

1 (i) be a representative of the interests  
2 of academic, business, and nonprofit orga-  
3 nizations; and

4 (ii) have expertise in—

5 (I) the field of water technology,  
6 including desalination; or

7 (II) administering award com-  
8 petitions; and

9 (B) not less than 1 shall be from each of—

10 (i) the Department of Energy;

11 (ii) the Environmental Protection  
12 Agency;

13 (iii) the Bureau of Reclamation of the  
14 Department of the Interior; and

15 (iv) the National Science Foundation.

16 (d) AWARDS.—Subject to the availability of appro-  
17 priations, the board established under subsection (c) may  
18 make awards under the program established under sub-  
19 section (a) as follows:

20 (1) FINANCIAL PRIZE.—The board may hold a  
21 financial award competition and award a financial  
22 award in an amount determined before the com-  
23 mencement of the competition to the first competitor  
24 to meet such criteria as the board shall establish.

25 (2) RECOGNITION PRIZE.—

1 (A) IN GENERAL.—The board may recog-  
2 nize an eligible person for superlative achieve-  
3 ment in 1 or more applications described in  
4 subsection (a).

5 (B) NO FINANCIAL REMUNERATION.—An  
6 award under this paragraph shall not include  
7 any financial remuneration.

8 (C) NATIONAL TECHNOLOGY AND INNOVA-  
9 TION MEDAL RECOMMENDATIONS.—For each  
10 eligible person recognized under this paragraph,  
11 the board shall recommend to the Secretary of  
12 Commerce that the Secretary recommend to the  
13 President under section 16(b) of the Stevenson-  
14 Wydler Technology Innovation Act of 1980 (15  
15 U.S.C. 3711) that the President award the Na-  
16 tional Technology and Innovation Medal estab-  
17 lished under section 16(a) of such Act to such  
18 eligible person.

19 (e) ADMINISTRATION.—

20 (1) CONTRACTING.—The board established  
21 under subsection (e) may contract with a private or-  
22 ganization to administer a financial award competi-  
23 tion described in subsection (d)(1).

24 (2) SOLICITATION OF FUNDS.—A member of  
25 the board or any administering organization with

1 which the board has a contract under paragraph (1)  
2 may solicit gifts from private and public entities to  
3 be used for a financial award under subsection  
4 (d)(1).

5 (3) LIMITATION ON PARTICIPATION OF DO-  
6 NORS.—The board may allow a donor who is a pri-  
7 vate person described in paragraph (2) to participate  
8 in the determination of criteria for an award under  
9 subsection (d), but such donor may not solely deter-  
10 mine the criteria for such award.

11 (4) NO ADVANTAGE FOR DONATION.—A donor  
12 who is a private person described in paragraph (3)  
13 shall not be entitled to any special consideration or  
14 advantage with respect to participation in a financial  
15 award competition under subsection (d)(1).

16 (f) INTELLECTUAL PROPERTY.—The Federal Gov-  
17 ernment may not acquire an intellectual property right in  
18 any product or idea by virtue of the submission of such  
19 product or idea in any competition under subsection  
20 (d)(1).

21 (g) LIABILITY.—The board established under sub-  
22 section (c) may require a competitor in a financial award  
23 competition under subsection (d)(1) to waive liability  
24 against the Federal Government for injuries and damages  
25 that result from participation in such competition.

1 (h) ANNUAL REPORT.—Each year, the board estab-  
2 lished under subsection (c) shall submit to Congress a re-  
3 port on the program established under subsection (a).

4 (i) AUTHORIZATION OF APPROPRIATIONS.—

5 (1) IN GENERAL.—There are authorized to be  
6 appropriated sums for the program established  
7 under subsection (a) as follows:

8 (A) For administration of prize competi-  
9 tions under subsection (d), \$750,000 for each  
10 fiscal year.

11 (B) For the awarding of a financial prize  
12 award under subsection (d)(1), in addition to  
13 any amounts received under subsection (e)(2),  
14 \$2,000,000 for each fiscal year.

15 (2) AVAILABILITY.—Amounts appropriated pur-  
16 suant to the authorization of appropriations under  
17 paragraph (1) shall remain available until expended.

18 **Subtitle B—Drought Planning As-**  
19 **sistance Through NRCS and**  
20 **Reclamation**

21 **SEC. 411. DROUGHT PLANNING ASSISTANCE THROUGH**  
22 **NRCS AND RECLAMATION.**

23 (a) IN GENERAL.—The Secretary of Agriculture, act-  
24 ing through the Natural Resources Conservation Service,  
25 in collaboration with the Secretary of the Interior, acting

1 through the Bureau of Reclamation, shall, upon request,  
2 provide assistance to water or power delivery authorities,  
3 including water districts and irrigation districts, that are  
4 authorized under subtitle F of title IX of the Omnibus  
5 Public Land Management Act of 2009 (42 U.S.C. 10362  
6 et seq.) to receive financial assistance from the Bureau  
7 of Reclamation, for the purposes of increasing water use  
8 efficiency and providing on-farm assistance to address  
9 water quantity and water quality conservation practices.

10 (b) TYPES OF ASSISTANCE.—Assistance under sub-  
11 section (a) shall include—

12 (1) hydrological forecasting;

13 (2) assessment of water supply sources under  
14 different water year classification types;

15 (3) identification of alternative water supply  
16 sources;

17 (4) guidance on potential water transfer part-  
18 ners;

19 (5) technical assistance regarding Federal and  
20 State permits and contracts under the Act of Feb-  
21 ruary 21, 1911 (36 Stat. 925, chapter 141) (com-  
22 monly known as the “Warren Act”);

23 (6) installation of districtwide or on-farm water  
24 efficiency and conservation technologies, including  
25 behavioral water efficiency, system modernizations

1 (including leak repair and supervisory control and  
2 data acquisition systems), and other technologies  
3 that have been proven to provide improvements in  
4 water use efficiency through verification by a third  
5 party;

6 (7) technical assistance regarding emergency  
7 provision of water supplies for critical health and  
8 safety purposes; and

9 (8) activities carried out in conjunction with the  
10 National Oceanic and Atmospheric Administration,  
11 the National Integrated Drought Information Sys-  
12 tem, and the State partners of the National Inte-  
13 grated Drought Information System under the Na-  
14 tional Integrated Drought Information System Act  
15 of 2006 (15 U.S.C. 313d)—

16 (A) to collect and integrate key indicators  
17 of drought severity and impacts; and

18 (B) to produce and communicate timely  
19 monitoring and forecast information to local  
20 and regional communities.

21 **SEC. 412. PROTECTING AND PRIORITIZING HIGH-VALUE AG-**  
22 **RICULTURAL LAND.**

23 Not later than 180 after the date of the enactment  
24 of this section, the Secretary of the Interior shall develop  
25 and implement a plan to purchase, under all existing au-

1 thorities, from willing sellers, water rights or land and as-  
2 sociated water rights, with the goal of permanently retir-  
3 ing from agricultural production 250,000 acres within the  
4 area served by the Central Valley Project. All water rights  
5 purchased by the Secretary under the plan required by  
6 this section shall be permanently—

7 (1) deducted from deliveries to the Central Val-  
8 ley Project; and

9 (2) retained for public purposes, such as pro-  
10 viding water deliveries to refuges.

## 11 **Subtitle C—Drought Preparedness** 12 **for Fisheries**

### 13 **SEC. 421. DROUGHT PREPAREDNESS FOR FISHERIES.**

14 (a) SALMON DROUGHT PLAN.—Not later than Janu-  
15 ary 1, 2016, the United States Fish and Wildlife Service  
16 shall, in consultation with the National Marine Fisheries  
17 Service, the Bureau of Reclamation, the Army Corps of  
18 Engineers, and the California Department of Fish and  
19 Wildlife, prepare a California salmon drought plan. The  
20 plan shall investigate options to protect salmon popu-  
21 lations originating in the State of California, contribute  
22 to the recovery of populations listed under the Endangered  
23 Species Act of 1973 (16 U.S.C. 1531 et seq.), and con-  
24 tribute to the goals of the Central Valley Project Improve-  
25 ment Act (Public Law 102–575). The plan shall focus on

1 actions that can aid salmon populations during the driest  
2 years. Strategies investigated shall include—

3 (1) relocating the release location and timing of  
4 hatchery fish to avoid predation and temperature  
5 impacts;

6 (2) barging of hatchery release fish to improve  
7 survival and reduce straying;

8 (3) coordinating with water users, the Bureau  
9 of Reclamation, and the California Department of  
10 Water Resources regarding voluntary water trans-  
11 fers, to determine if water released upstream to  
12 meet the needs of downstream or South-of-Delta  
13 water users can be managed in a way that provides  
14 additional benefits for salmon;

15 (4) hatchery management modifications, such  
16 as expanding hatchery production of listed fish dur-  
17 ing the driest years, if appropriate;

18 (5) increasing rescue operations of upstream  
19 migrating fish; and

20 (6) improving temperature modeling and related  
21 forecasted information to predict water management  
22 impacts to salmon and salmon habitat with a higher  
23 degree of accuracy than current models.

24 (b) APPROPRIATION.—There is hereby appropriated  
25 for fiscal year 2014, out of any funds in the Treasury not

1 otherwise appropriated, a total amount of \$3,000,000, to  
2 remain available until the end of the period during which  
3 the State’s emergency drought designation is in effect, for  
4 the United States Fish and Wildlife Service for urgent  
5 fish, stream, and hatchery activities related to extreme  
6 drought conditions, including work with the National Ma-  
7 rine Fisheries Service, the Bureau of Reclamation, the  
8 Army Corps of Engineers, the California Department of  
9 Fish and Wildlife, or a qualified tribal government.

10 (c) QUALIFIED TRIBAL GOVERNMENT DEFINI-  
11 TION.—For the purposes of this section, the term “quali-  
12 fied tribal government” means any government of an In-  
13 dian tribe that the Secretary of the Interior determines—

14 (1) is involved in salmon management and re-  
15 covery activities under the Endangered Species Act  
16 of 1973 (16 U.S.C. 1531 et seq.); and

17 (2) has the management and organizational ca-  
18 pability to maximize the benefits of assistance pro-  
19 vided under this section.

## 20 **Subtitle D—National Emergency** 21 **Planning Response**

### 22 **SEC. 431. NATIONAL EMERGENCY PLANNING RESPONSE.**

23 (a) CATASTROPHIC DROUGHT PLAN.—Not later than  
24 120 days after the date of enactment of this Act, the  
25 President shall update the National Response Plan and

1 the National Disaster Recovery Framework to include a  
2 plan for catastrophic drought that calls on the capabilities  
3 of all applicable Federal agencies and departments, includ-  
4 ing the pre-positioning of Federal resources to provide  
5 emergency clean water supplies.

6 (b) DEFINITIONS.—For the purposes of this sec-  
7 tion—

8 (1) the term “National Response Plan” means  
9 the National Response Plan or any successor plan  
10 prepared under section 504(a)(6) of the Homeland  
11 Security Act of 2002 (6 U.S.C. 314(a)(6)); and

12 (2) the term “National Disaster Recovery  
13 Framework” means the National Disaster Recovery  
14 Framework or any successor document prepared  
15 under section 682 of the Post-Katrina Emergency  
16 Management Reform Act of 2006 (6 U.S.C. 771).

## 17 **Subtitle E—Military Preparedness** 18 **for Desalination**

### 19 **SEC. 441. REPORT ON DESALINIZATION TECHNOLOGY.**

20 Not later than 90 days after the date of enactment  
21 of this Act, the Secretary of the Navy shall submit to Con-  
22 gress a report on desalinization technology’s application  
23 for defense and national security purposes to provide  
24 drought relief to areas impacted by sharp declines in water  
25 supply.