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(Original Signature of Member)

116TH CONGRESS
1ST SESSION

H. R.

To establish a trust fund to provide for adequate funding for water and sewer infrastructure, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mrs. LAWRENCE introduced the following bill; which was referred to the Committee on _____

A BILL

To establish a trust fund to provide for adequate funding for water and sewer infrastructure, and for other purposes.

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

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Water Affordability, Transparency, Equity, and Reli-
6 ability Act of 2019”.

7 (b) TABLE OF CONTENTS.—The table of contents for
8 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Water Affordability, Transparency, Equity, and Reliability Trust Fund.

- Sec. 3. Report on affordability, discrimination and civil rights violations, public participation in regionalization, and data collection.
- Sec. 4. Technical assistance to rural and small municipalities and tribal governments.
- Sec. 5. Residential onsite sewage disposal system improvement.
- Sec. 6. Household water well systems.
- Sec. 7. State water pollution control revolving funds.
- Sec. 8. Use of State revolving loan funds under the Safe Drinking Water Act.
- Sec. 9. Drinking water grant programs.
- Sec. 10. Requirement for the use of American materials in drinking water.
- Sec. 11. Labor provisions.

1 **SEC. 2. WATER AFFORDABILITY, TRANSPARENCY, EQUITY,**
2 **AND RELIABILITY TRUST FUND.**

3 (a) ESTABLISHMENT.—

4 (1) IN GENERAL.—Subchapter A of chapter 98
5 of the Internal Revenue Code of 1986 is amended by
6 adding at the end the following:

7 **“SEC. 9512. WATER AFFORDABILITY, TRANSPARENCY, EQ-**
8 **UITY, AND RELIABILITY TRUST FUND.**

9 “(a) CREATION OF TRUST FUND.—There is estab-
10 lished in the Treasury of the United States a trust fund
11 to be known as the ‘Water Affordability, Transparency,
12 Equity, and Reliability Trust Fund’ (referred to in this
13 section as the ‘Trust Fund’), consisting of such amounts
14 as may be appropriated or credited to such Trust Fund
15 as provided in this section or section 9602(b).

16 “(b) TRANSFERS TO FUND.—

17 “(1) IN GENERAL.—There are hereby appro-
18 priated to the Trust Fund such amounts as the Sec-
19 retary from time to time estimates are equal to the
20 increase in Federal revenues attributable to the

1 amendment made by section 2(b) of the Water Af-
2 fordability, Transparency, Equity, and Reliability
3 Act of 2019.

4 “(2) LIMITATION.—The sum of the amounts
5 appropriated under paragraph (1) during any fiscal
6 year shall not exceed \$34,850,000,000.

7 “(c) EXPENDITURES.—Amounts in the Trust Fund
8 are available, without further appropriation and without
9 fiscal year limitation, for the purposes described in section
10 2(c) of the Water Affordability, Transparency, Equity,
11 and Reliability Act of 2019.”

12 (2) CLERICAL AMENDMENT.—The table of
13 parts for subchapter A of chapter 98 of such Code
14 is amended by inserting after the item relating to
15 section 9511 the following new item:

“Sec. 9512. Water Affordability, Transparency, Equity, and Reliability Trust
Fund.”

16 (b) IMPOSITION OF TAX.—

17 (1) IN GENERAL.—Section 11(b) of the Internal
18 Revenue Code of 1986 is amended by striking “21”
19 and inserting “24.5”.

20 (2) EFFECTIVE DATE.—The amendments made
21 by this Act shall take apply to taxable years begin-
22 ning after December 31, 2018.

23 (c) ALLOCATION OF FUNDS.—The Administrator of
24 the Environmental Protection Agency and the Secretary

1 of Agriculture shall allocate, for a fiscal year, the funds
2 available, at the beginning of such fiscal year, in the Water
3 Affordability, Transparency, Equity, and Reliability Trust
4 Fund, established by section 9512 of the Internal Revenue
5 Code of 1986, as follows:

6 (1) CLEAN WATER PROGRAMS.—Of such
7 amount, the Administrator shall make available—

8 (A) 0.5 percent for making grants under
9 section 104(b)(8) of the Federal Water Pollu-
10 tion Control Act;

11 (B) 1.5 percent for making grants under
12 section 106 of such Act (33 U.S.C. 1256);

13 (C) 2.5 percent for making grants under
14 section 222 of such Act;

15 (D) 2.5 percent for making grants under
16 section 319 of such Act (33 U.S.C. 1329); and

17 (E) 45 percent for making capitalization
18 grants under section 601 of such Act (33
19 U.S.C. 1381).

20 (2) SAFE DRINKING WATER FUNDING.—Of such
21 amount, the Administrator shall make available—

22 (A) 0.5 percent for providing technical as-
23 sistance under section 1442(e) of the Safe
24 Drinking Water Act (42 U.S.C. 300j–1(e));

1 (B) 43.5 percent for making capitalization
2 grants under section 1452 of such Act (42
3 U.S.C. 300j-12); and

4 (C) 3 percent for making grants under sec-
5 tion 1465 of such Act.

6 (3) HOUSEHOLD WATER WELL SYSTEMS.—Of
7 such amount, the Secretary shall make available 1
8 percent for making grants under section 306E of the
9 Consolidated Farm and Rural Development Act (7
10 U.S.C. 1926e).

11 **SEC. 3. REPORT ON AFFORDABILITY, DISCRIMINATION AND**
12 **CIVIL RIGHTS VIOLATIONS, PUBLIC PARTICI-**
13 **PATION IN REGIONALIZATION, AND DATA**
14 **COLLECTION.**

15 (a) STUDY.—

16 (1) IN GENERAL.—The Administrator of the
17 Environmental Protection Agency shall conduct a
18 study on water and sewer services, in accordance
19 with this subsection.

20 (2) AFFORDABILITY.—In conducting the study
21 under paragraph (1), the Administrator shall study
22 water affordability nationwide, including—

23 (A) rates for water and sewer services, in-
24 creases in such rates during the ten-year period
25 preceding such study, and water service dis-

1 connections due to unpaid water service
2 charges; and

3 (B) the effectiveness of funding under sec-
4 tion 1452 of the Safe Drinking Water Act and
5 under section 601 of the Federal Water Pollu-
6 tion Control Act for promoting affordable, equi-
7 table, transparent, and reliable water and sewer
8 service.

9 (3) DISCRIMINATION AND CIVIL RIGHTS.—In
10 conducting the study under paragraph (1), the Ad-
11 ministrator, in collaboration with the Civil Rights
12 Division of the United States Department of Justice,
13 shall study—

14 (A) discriminatory practices of water and
15 sewer service providers; and

16 (B) violations by such service providers
17 that receive Federal assistance of civil rights
18 under title VI of the Civil Rights Act of 1964
19 with regard to equal access to water and sewer
20 services.

21 (4) PUBLIC PARTICIPATION IN REGIONALIZA-
22 TION.—In conducting the study under paragraph
23 (1), the Administrator shall evaluate efforts to re-
24 gionalize public water systems, as defined in section

1 1401 of the Safe Water Drinking Act, and sewer
2 services with respect to public participation in—

3 (A) the decision to undergo such regional-
4 ization; and

5 (B) decisionmaking by the board of direc-
6 tors (or other governing body) of the entity that
7 provides, or oversees or coordinates the provi-
8 sion of, water by the public water systems sub-
9 ject to such regionalization.

10 (5) DATA COLLECTION.—In conducting the
11 study under paragraph (1), the Administrator shall
12 collect information, assess the availability of infor-
13 mation, and evaluate the methodologies used to col-
14 lect information, related to—

15 (A) people living without water or sewer
16 services;

17 (B) water service disconnections due to un-
18 paid water service charges, including disconnec-
19 tions experienced by households containing chil-
20 dren, elderly persons, disabled persons, chron-
21 ically ill persons, or other vulnerable popu-
22 lations; and

23 (C) disparate effects, on the basis of race,
24 gender, or socioeconomic status, of water serv-

1 ice disconnections and the lack of public water
2 service.

3 (b) REPORT.—Not later than 1 year after the date
4 of the enactment of this Act, the Administrator of the En-
5 vironmental Protection Agency shall submit to Congress
6 a report that contains—

7 (1) the results of the study conducted under
8 subsection (a)(1); and

9 (2) recommendations for utility companies,
10 Federal agencies, and States relating to such results.

11 **SEC. 4. TECHNICAL ASSISTANCE TO RURAL AND SMALL**
12 **MUNICIPALITIES AND TRIBAL GOVERN-**
13 **MENTS.**

14 Section 104(u) of the Federal Water Pollution Con-
15 trol Act (33 U.S.C. 1254(u)) is amended by striking “not
16 to exceed \$25,000,000” and inserting “\$175,000,000”.

17 **SEC. 5. RESIDENTIAL ONSITE SEWAGE DISPOSAL SYSTEM**
18 **IMPROVEMENT.**

19 Title II of the Federal Water Pollution Control Act
20 (33 U.S.C. 1281 et seq.) is amended by adding at the end
21 the following:

22 **“SEC. 222. RESIDENTIAL ONSITE SEWAGE DISPOSAL SYS-**
23 **TEMS.**

24 “Not later than the date that is 1 year after the date
25 of the enactment of this section, the Administrator shall

1 establish a grant program to make grants to users of a
2 septic tank and drainage field for costs associated with
3 repairing, replacing, or upgrading such tank and such
4 field.”.

5 **SEC. 6. HOUSEHOLD WATER WELL SYSTEMS.**

6 Section 306E(d) of the Consolidated Farm and Rural
7 Development Act (7 U.S.C. 1926e(d)) is amended by
8 striking “\$20,000,000 for each of fiscal years 2019
9 through 2023” and inserting “\$348,500,000 for each fis-
10 cal year”.

11 **SEC. 7. STATE WATER POLLUTION CONTROL REVOLVING**
12 **FUNDS.**

13 (a) SPECIFIC REQUIREMENTS.—Section 602(b) of
14 the Federal Water Pollution Control Act (33 U.S.C.
15 1382(b)) is amended—

16 (1) in paragraph (2), by striking “will be made
17 to the State with funds to be made available” and
18 inserting “were made to the State with funds made
19 available for fiscal year 2019”;

20 (2) in paragraph (13), by striking “and” at the
21 end;

22 (3) in paragraph (14), by striking the period at
23 the end and inserting a semicolon; and

24 (4) by adding at the end the following:

1 “(15) the State will not provide financial assist-
2 ance using amounts from the fund for any project
3 that will provide substantial direct benefits to new
4 communities, lots, or subdivisions, other than a
5 project to construct an advanced decentralized
6 wastewater system; and”.

7 (b) PROJECTS AND ACTIVITIES ELIGIBLE FOR AS-
8 SISTANCE.—Section 603(c) of the Federal Water Pollution
9 Control Act (33 U.S.C. 1383(c)) is amended—

10 (1) in paragraph (11)(B), by striking “and” at
11 the end;

12 (2) in paragraph (12)(B), by striking the period
13 at the end and inserting “; and”; and

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

15 “(13) to any municipality or intermunicipal,
16 interstate, or State agency for—

17 “(A) purchasing from a willing or unwill-
18 ing seller a privately owned treatment works;
19 and

20 “(B) expenses related to canceling a con-
21 tract for the operation or management of a
22 publicly owned treatment works.”.

23 (c) INCREASING THE AMOUNT OF ADDITIONAL SUB-
24 SIDIZATION BY THE STATE.—Section 603(i)(3)(B) of the

1 Federal Water Pollution Control Act (33 U.S.C.
2 1383(i)(3)(B)) is amended to read as follows:

3 “(B) ADDITIONAL LIMITATION.—A State
4 may use not less than 50 percent of the total
5 amount received by the State in capitalization
6 grants under this title for a fiscal year for pro-
7 viding additional subsidization under this sub-
8 section.”.

9 **SEC. 8. USE OF STATE REVOLVING LOAN FUNDS UNDER**
10 **THE SAFE DRINKING WATER ACT.**

11 Section 1452 of the Safe Drinking Water Act (42
12 U.S.C. 300j–12) is amended—

13 (1) in subsection (a)—

14 (A) in paragraph (2)—

15 (i) in subparagraph (A), by inserting
16 “publicly owned, operated, and managed”
17 before “community water systems”; and

18 (ii) in subparagraph (E), by striking
19 “The funds under this section shall not be
20 used for the acquisition of real property or
21 interests therein, unless the acquisition is
22 integral to a project authorized by this
23 paragraph and the purchase is from a will-
24 ing seller.” and inserting “The funds may
25 also be used for purchasing from a willing

1 or unwilling seller a privately owned com-
2 munity water system, or for the expenses
3 related to canceling a contract for the op-
4 eration or management of a community
5 water system.”; and

6 (B) by adding at the end the following new
7 paragraph:

8 “(6) EXCEPTION TO PUBLIC OWNERSHIP, OPER-
9 ATION, AND MANAGEMENT REQUIREMENT.—Not-
10 withstanding paragraph (2)(A), public water systems
11 that regularly serve fewer than 10,000 persons, and
12 which are not owned, operated, or managed by any
13 person who owns, operates, or manages any other
14 public water system, may receive assistance under
15 this section.”;

16 (2) by amending subsection (d)(2) to read as
17 follows:

18 “(2) TOTAL AMOUNT OF SUBSIDIES.—To the
19 extent that there are sufficient applications for loans
20 to communities described in paragraph (1), of the
21 amount of the capitalization grant received by a
22 State in a fiscal year, the total amount of loan sub-
23 sidies made by the State in the fiscal year pursuant
24 to paragraph (1) may not be less than 50 percent.”.

1 (3) in subsection (e), by striking “to be made
2 to the State” and inserting “that was made to the
3 State in fiscal year 2019”;

4 (4) in subsection (g)(3)—

5 (A) in paragraph (B), by striking “and” at
6 the end;

7 (B) in paragraph (C), by striking the pe-
8 riod at the end and inserting “; and”; and

9 (C) by inserting after subparagraph (C)
10 the following:

11 “(D) guidance to ensure affordable, equi-
12 table, transparent and reliable water service
13 provision, to provide protections for households
14 facing service disconnection due to unpaid
15 water service charges, and to promote universal
16 equal access to water services.”; and

17 (5) in subsection (k)(1), by adding at the end
18 the following:

19 “(E) Provide assistance in the form of a
20 grant to owners of private property on which a
21 lead service line (as defined in section 1459B)
22 is or may be located, for the purpose of replac-
23 ing the lead service line with a service line that
24 is lead-free (as defined in section 1417(d)).

1 “(F) Provide assistance to a publicly
2 owned, operated, and managed community
3 water system for the purpose of updating treat-
4 ment plants or switching water sources due to
5 contamination from per- and polyfluoroalkyl
6 substances (PFAS) (as defined by the State in
7 which the community water system is located).

8 “(G) Provide assistance in the form of a
9 grant to owners of a household water well has
10 been contaminated by per- and polyfluoroalkyl
11 substances (PFAS) (as defined by the State in
12 which the household well is located), for the
13 purpose of purchasing and installing a house-
14 hold filtration system.”.

15 **SEC. 9. DRINKING WATER GRANT PROGRAMS.**

16 (a) SCHOOL DRINKING WATER IMPROVEMENT.—
17 Section 1465 of the Safe Drinking Water Act (42 U.S.C.
18 300j-25) is amended—

19 (1) in the section header, by striking “**FOUN-**
20 **TAIN**” and inserting “**INFRASTRUCTURE**”;

21 (2) in subsection (a), by striking “fountains
22 manufactured prior to 1988” and inserting “infra-
23 structure”;

24 (3) by amending subsection (b) to read as fol-
25 lows:

1 “(b) USE OF FUNDS.—Funds awarded under the
2 grant program may be used to pay costs associated with—

3 “(1) installing, repairing, or replacing the infra-
4 structure necessary to ensure that drinking water
5 fountains, drinking water coolers, and bottle filling
6 stations at schools are lead free; and

7 “(2) monitoring and reporting of lead levels in
8 the drinking water of schools, as determined appro-
9 priate by the Administrator.”; and

10 (4) in subsection (d)—

11 (A) by striking “\$5,000,000” and inserting
12 “\$1,050,000,000”; and

13 (B) by striking “2021” and inserting
14 “2022”.

15 (b) TRIBAL DRINKING WATER.—Section 1452(i)(1)
16 of the Safe Drinking Water Act (42 U.S.C. 300j–12(i)(1))
17 is amended, in the first sentence—

18 (1) by striking “1 1/2” and inserting “Three”;

19 and

20 (2) by striking “may” and inserting “shall”.

21 **SEC. 10. REQUIREMENT FOR THE USE OF AMERICAN MATE-**
22 **RIALS IN DRINKING WATER.**

23 Section 1452(a)(4) of the Safe Drinking Water Act
24 (42 U.S.C. 300j–12(a)(4)) is amended by striking “Dur-

1 ing fiscal years 2019 through 2023, funds” and inserting
2 “Funds”.

3 **SEC. 11. LABOR PROVISIONS.**

4 (a) PREVAILING RATE OF WAGE.—Nothing in this
5 Act shall affect the applicability of the requirements relat-
6 ing to labor standards of sections 513 and 602(b)(6) of
7 the Federal Water Pollution Control Act (33 U.S.C. 1372,
8 1382(b)(6)) and section 1450(e) of the Safe Drinking
9 Water Act (42 U.S.C. 300j–9(e)) to projects carried out
10 under those Acts.

11 (b) PROJECT LABOR AGREEMENTS.—

12 (1) CLEAN WATER REVOLVING FUNDS.—Sec-
13 tion 602(b) of the Federal Water Pollution Control
14 Act (33 U.S.C. 1382(b)), as amended by section 7,
15 is further amended by adding at the end the fol-
16 lowing:

17 “(16) the State will—

18 “(A) permit recipients of assistance under
19 this title to enter into agreements authorized
20 under section 8(f) of the National Labor Rela-
21 tions Act (commonly known as ‘project labor
22 agreements’) with respect to projects for build-
23 ing or construction carried out with such assist-
24 ance; and

1 “(B) ensure that, to the maximum extent
2 practicable, recipients of assistance under this
3 title carry out such projects through the use of
4 such agreements.”.

5 (2) DRINKING WATER REVOLVING FUNDS.—
6 Section 1452 of the Safe Drinking Water Act (42
7 U.S.C. 300j–12) is amended—

8 (A) in subsection (a), by adding at the end
9 the following:

10 “(7) PROJECT LABOR AGREEMENTS.—Each
11 agreement under this subsection shall require that
12 the State permit recipients of assistance under this
13 section to enter into agreements authorized under
14 section 8(f) of the National Labor Relations Act
15 (commonly known as ‘project labor agreements’)
16 with respect to projects for building or construction
17 carried out with such assistance.”; and

18 (B) in subsection (b)(3)(A)—

19 (i) in clause (ii), by striking “; and”
20 and inserting a semicolon;

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

23 (iii) by adding at the end the fol-
24 lowing:

1 “(iv) with respect to projects for
2 building or construction, will be carried out
3 through the use of agreements authorized
4 under section 8(f) of the National Labor
5 Relations Act.”.