Title: To support water infrastructure in Reclamation States, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the “Drought Resiliency and Water Supply Infrastructure Act”.

(b) Table of Contents.—The table of contents for this Act is as follows:

Sec.1.Short title; table of contents.

Sec.2.Definitions.

TITLE I—INFRASTRUCTURE DEVELOPMENT

Sec.101.Competitive grant program for the funding of water recycling and reuse projects.

Sec.102.Annual report to Congress.

Sec.103.Funding for storage and supporting projects.

Sec.104.Studies of proposed Federal storage projects by eligible entities.

Sec.105.Desalination project development.

Sec.106.Reclamation infrastructure finance and innovation pilot program.

Sec.107.Watersmart extension and expansion.

Sec.108.Emergency drought funding.

TITLE II—IMPROVED TECHNOLOGY AND DATA

Sec.201.Reauthorization of the transboundary aquifer assessment program.

TITLE III—ECOSYSTEM RESTORATION AND PROTECTION

Sec.301.Restoration and environmental compliance.

Sec.302.Reauthorization of cooperative watershed management program.

TITLE IV—MISCELLANEOUS

Sec.401.Offset.

Sec.402.Deauthorization of certain water recycling projects.

Sec.403.Savings clause.

SEC. 2. DEFINITIONS.

In this Act:

(1) Annual report.—The term “annual report” means a report required under section 102(a).

(2) Authorized project.—The term “authorized project” means a Federal storage project or a major non-Federal storage project authorized by an Act of Congress, including through an applicable standing authorization under section 5B of the Reclamation Safety of Dams Act of 1978 (43 U.S.C. 509b) or any other applicable law.

(3) Authorizing committees of congress.—The term “authorizing committees of Congress” means—

(A) the Committee on Energy and Natural Resources of the Senate; and

(B) the Committee on Natural Resources of the House of Representatives.

(4) Design; study.—

(A) In general.—The terms “design” and “study” include any design, permitting, study (including a feasibility study), materials engineering or testing, surveying, or preconstruction activity relating to a water storage facility.

(B) Exclusions.—The terms “design” and “study” do not include an appraisal study or other preliminary review intended to determine whether further study is appropriate.

(5) Eligible entity.—The term “eligible entity” means—

(A) any State, political subdivision of a State, department of a State, or public agency organized pursuant to State law;

(B) an Indian tribe (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304)) or an entity controlled by an Indian tribe;

(C) a water users’ association;

(D) an agency established by an interstate compact; and

(E) an agency established under State law for the joint exercise of powers.

(6) Federal storage project.—The term “Federal storage project” means any project in a Reclamation State—

(A) that involves the construction, expansion, upgrade, or capital repair by the Bureau of Reclamation of—

(i) a surface water storage facility; or

(ii) a facility conveying water to or from surface or groundwater storage; and

(B) to which the United States holds or will hold title.

(7) Major non-federal storage project.—The term “major non-Federal storage project” means any non-Federal storage project with a Federal share of not less than $700,000,000.

(8) Natural water storage project.—

(A) In general.—The term “natural water storage project” means a non-Federal storage project designed and developed to increase water storage through aquifer recharge, floodplain storage, the alteration of the timing of runoff to allow increased utilization of existing storage facilities, or another mechanism that—

(i) uses primarily natural materials appropriate to the specific site and landscape setting; and

(ii) substantially mimics natural riverine, wetland, ecosystem, or hydrologic processes.

(B) Inclusions.—The term “natural water storage project” includes—

(i) a single natural water storage project;

(ii) several distributed natural water storage projects across a watershed; and

(iii) the redesign or replacement of built infrastructure to incorporate natural water storage elements.

(9) Non-federal storage project.—The term “non-Federal storage project” means any project in a Reclamation State that—

(A) involves the construction, expansion, upgrade, or capital repair by an eligible entity of—

(i) a surface or groundwater storage project that is not federally owned; or

(ii) a facility that is not federally owned conveying water to or from surface or groundwater storage; and

(B) provides a benefit in meeting any obligation under applicable Federal law (including regulations).

(10) Qualified partner.—The term “qualified partner” means a nonprofit organization operating in a Reclamation State that is acting in partnership with an eligible entity.

(11) Reclamation laws.—The term “reclamation laws” means Federal reclamation law (the Act of June 17, 1902 (32 Stat. 388, chapter 1093), and Acts supplemental to and amendatory of that Act.

(12) Reclamation state.—The term “Reclamation State” has the meaning given the term in section 4014 of the Water Infrastructure Improvements for the Nation Act (43 U.S.C. 390b note; Public Law 114–322).

(13) Relevant committees of congress.—The term “relevant committees of Congress” means—

(A) the Committee on Appropriations of the Senate;

(B) the Committee on Energy and Natural Resources of the Senate;

(C) the Committee on Appropriations of the House of Representatives; and

(D) the Committee on Natural Resources of the House of Representatives.

(14) Secretary.—The term “Secretary” means the Secretary of the Interior.

(15) Standard non-federal storage project.—The term “standard non-Federal storage project” means any non-Federal storage project that involves a Federal cost-share of less than $700,000,000.

TITLE I—INFRASTRUCTURE DEVELOPMENT

SEC. 101. COMPETITIVE GRANT PROGRAM FOR THE FUNDING OF WATER RECYCLING AND REUSE PROJECTS.

(a) Authorization of New Water Recycling and Reuse Projects.—Section 1602 of the Reclamation Wastewater and Groundwater Study and Facilities Act (43 U.S.C. 390h) is amended by striking paragraph (2) of subsection (f) and all that follows through the end of subsection (g) and inserting the following:

“(2) Priorities and diversity of project types.—In providing grants under paragraph (1), the Secretary shall—

“(A) give priority to projects that—

“(i) are likely to provide a more-reliable water supply for a unit of State or local government;

“(ii) are likely to increase the water management flexibility and reduce impacts on environmental resources; or

“(iii) provide multiple benefits, including water supply reliability, ecosystem benefits, groundwater management and enhancements, and water quality improvements; and

“(B) take into consideration selecting a diversity of project types, including projects that serve—

“(i) a region or more than 1 community;

“(ii) a rural or small community; or

“(iii) an urban community or city.

“(g) Funding.—

“(1) Authorization of appropriations.—There is authorized to be appropriated to the Secretary to carry out subsections (e) and (f) $160,000,000 for the period of fiscal years 2022 through 2026.

“(2) Funding opportunity announcement.—The Commissioner of Reclamation shall release a funding opportunity announcement for the competitive grant program under subsection (f) by not later than 75 days after the date of enactment of an Act that provides funding for the program.

“(3) Congressional approval initially required.—

“(A) In general.—Each initial award under this section for design and study, or for construction, of a project under subsection (e) or (f) shall be approved in an appropriations Act.

“(B) Reclamation recommendations.—The Commissioner of Reclamation shall submit recommendations regarding the initial award of design and study funding and construction funding for consideration under subparagraph (A) to—

“(i) the Committee on Appropriations of the Senate;

“(ii) the Committee on Energy and Natural Resources of the Senate;

“(iii) the Committee on Appropriations of the House of Representatives; and

“(iv) the Committee on Natural Resources of the House of Representatives.

“(4) Subsequent funding awards.—After approval by Congress of an initial award of design and study funding or construction funding for a project under paragraph (3), the Commissioner of Reclamation may award additional design and study funding or construction funding, respectively, for the project without further congressional approval.”.

(b) Limitation on Funding.—Section 1631(d) of the Reclamation Wastewater and Groundwater Study and Facilities Act (43 U.S.C. 390h–13(d)) is amended—

(1) in paragraph (1)—

(A) by striking “by paragraph (2)” and inserting “in paragraphs (2) and (3)”; and

(B) striking “$20,000,000 (October 1996 prices)” and inserting “$30,000,000 (in prices as determined for January 2019)”; and

(2) in paragraph (2)—

(A) in subparagraph (B)—

(i) by striking “(B) In the case” and inserting the following:

“(B) San gabriel basin.—In the case”; and

(ii) by indenting clauses (i) and (ii) appropriately; and

(B) by striking “(2)(A) Subject to” and inserting the following:

“(2) Projects funded as of 2020.—The Federal share of the cost of any single project authorized under this title shall be $20,000,000 if the project has received that amount as of December 31, 2020.

“(3) Older projects.—

“(A) In general.—Subject to”.

SEC. 102. ANNUAL REPORT TO CONGRESS.

(a) Annual Reports.—Not later than February 1 of each year, the Secretary shall develop and submit to the authorizing committees of Congress an annual report, to be entitled “Report to Congress on Future Storage Project Development”, that identifies, with respect to Federal storage projects and major non-Federal storage projects—

(1) each feasibility report that meets the criteria established under subsection (c)(1)(A);

(2) each proposed feasibility study submitted to the Secretary by an eligible entity pursuant to subsection (b) that meets the criteria established under subsection (c)(1)(A); and

(3) any proposed modification to an authorized project that meets the criteria established under subsection (c)(1)(A) that is—

(A) submitted to the Secretary by an eligible entity pursuant to subsection (b); or

(B) identified by the Secretary for authorization.

(b) Requests for Proposals.—

(1) Publication.—Not later than May 1 of each year, the Secretary shall publish in the Federal Register a notice requesting proposals from eligible entities for proposed feasibility studies and proposed modifications to authorized projects to be included in the annual report.

(2) Deadline for requests.—The Secretary shall include in each notice required under this subsection a requirement that eligible entities submit to the Secretary any proposals described in paragraph (1) by not later than 120 days after the date of publication of the notice in the Federal Register in order for the proposals to be considered for inclusion in the annual report.

(3) Notification.—On the date of publication of each notice required by this subsection, the Secretary shall—

(A) make the notice publicly available, including on the internet; and

(B) provide written notification of the publication to the relevant committees of Congress.

(c) Contents.—

(1) Inclusions.—

(A) Criteria.—The Secretary shall include in the annual report only a feasibility report or proposed feasibility study for, or proposed modifications to, a Federal storage project or major non-Federal storage project that—

(i) the Secretary determines could be eligible for design, study, or construction;

(ii) has not been authorized by Congress; and

(iii) has not been included in any previous annual report.

(B) Description of benefits.—The Secretary shall describe in the annual report, to the extent applicable and practicable, for each proposed feasibility study and proposed modification to an authorized project included in the annual report, the benefits of each project or proposed modification.

(C) Identification of other factors.—The Secretary shall identify in the annual report, to the extent practicable—

(i) for each proposed feasibility study included in the annual report, the eligible entity that submitted the proposed project study pursuant to subsection (b); and

(ii) for each proposed feasibility study and proposed modification to a project included in the annual report, whether the eligible entity has demonstrated—

(I) that local support exists for the proposed feasibility study or proposed modification to an authorized project (including the project that is the subject of the proposed feasibility study or the proposed modification); and

(II) the financial ability to provide the required non-Federal cost share.

(2) Transparency.—The Secretary shall include in the annual report, for each feasibility report, proposed feasibility study, and proposed modification to a project included under paragraph (1)(A)—

(A) the name of the associated eligible entity, including the name of any eligible entity that has contributed, or is expected to contribute, a non-Federal share of the cost of—

(i) the feasibility report;

(ii) the proposed feasibility study; or

(iii) construction of—

(I) the project that is the subject of—

(aa) the feasibility report; or

(bb) the proposed feasibility study; or

(II) the proposed modification to a project;

(B) a letter or statement of support for the feasibility report, proposed feasibility study, or proposed modification to a project from each associated eligible entity;

(C) the purpose of the feasibility report, proposed feasibility study, or proposed modification to a project;

(D) an estimate, to the extent practicable, of the Federal, non-Federal, and total costs of construction of—

(i) the project that is the subject of the feasibility report; or

(ii) the proposed modification to an authorized project; and

(E) an estimate, to the extent practicable, of the monetary and nonmonetary benefits of—

(i) the project that is the subject of the feasibility report; or

(ii) the proposed modification to an authorized project.

(3) Certification.—The Secretary shall include in the annual report a certification stating that each feasibility report, proposed feasibility study, and proposed modification to a project included in the annual report meets the criteria established under paragraph (1)(A).

(4) Appendix.—The Secretary shall include in the annual report an appendix listing the proposals submitted under subsection (b) that were not included in the annual report under paragraph (1)(A) and a description of why the Secretary determined that those proposals did not meet the criteria for inclusion under that paragraph.

(d) Special Rule for Initial Annual Report.—Notwithstanding any other deadline under this section, the Secretary shall—

(1) not later than 60 days after the date of enactment of this Act, publish in the Federal Register a notice required under subsection (b)(1); and

(2) include in the notice a requirement that eligible entities submit to the Secretary any proposals described in subsection (b)(1) by not later than 120 days after the date of publication of the notice in the Federal Register in order for the proposals to be considered for inclusion in the first annual report developed by the Secretary under this section.

(e) Publication.—On submission of an annual report to Congress, the Secretary shall make the annual report publicly available, including through publication on the internet.

SEC. 103. FUNDING FOR STORAGE AND SUPPORTING PROJECTS.

(a) Authorization of Projects; Grant Program.—The Secretary may, within a Reclamation State—

(1) carry out a Federal storage project subject to a non-Federal cost share in accordance with subsection (b); or

(2) provide to an eligible entity a grant to carry out a non-Federal storage project in accordance with subsection (c).

(b) Federal Storage Projects.—

(1) Agreements.—On request of an eligible entity, the Secretary may negotiate and enter into an agreement on behalf of the United States for the design, study, construction, expansion, upgrade, or capital repair of a Federal storage project located in a Reclamation State in accordance with this subsection.

(2) Federal share.—Subject to the requirements of this subsection, the Secretary may participate in a Federal storage project in a nonreimbursable amount equal to not more than 50 percent of the total cost of the Federal storage project.

(3) Conditions for federal design and study funding.—The Secretary shall only fund a design or study activity for a Federal storage project under this subsection if the feasibility study for the Federal storage project is federally authorized, including a feasibility study authorized under—

(A) section 9503(d) of the Omnibus Public Land Management Act of 2009 (42 U.S.C. 10363(d)); or

(B) section 5B of the Reclamation Safety of Dams Act of 1978 (43 U.S.C. 509b).

(4) Conditions for federal construction funding.—The construction of a Federal storage project that is the subject of an agreement under this subsection shall not commence until—

(A) the Secretary (or the eligible entity, in a case in which the eligible entity prepares the feasibility study under section 104(a)(1)) determines that—

(i) the proposed Federal storage project is feasible in accordance with the reclamation laws;

(ii) the Federal storage project provides a Federal benefit in accordance with the reclamation laws; and

(iii) not less than a proportionate share of the benefits of the Federal storage project are Federal benefits, including water supplies dedicated to specific purposes, such as water quality improvements or fish and wildlife protection and restoration, including a wildlife refuge;

(B) the Secretary secures an agreement providing any upfront funding that is necessary to pay the non-Federal share of the capital costs of the Federal storage project; and

(C) the project has been authorized by an Act of Congress, including through an applicable standing authorization under section 5B of the Reclamation Safety of Dams Act of 1978 (43 U.S.C. 509b) or any other applicable law.

(5) Notice.—Not later than 30 days after the date on which the Secretary or the eligible entity makes a determination under paragraph (4), the Secretary or eligible entity, as applicable, shall submit to the relevant committees of Congress and make publicly available on the internet notice of the determination.

(6) Environmental laws.—In participating in a Federal storage project under this subsection, the Secretary shall comply with all applicable environmental laws, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(7) Expansion or upgrade.—The Secretary shall require, as a condition for design, study, or any other participation in the expansion or upgrade of a Federal storage project—

(A) the agreement of any single entity that has an existing water service contract or repayment contract for more than 60 percent of the capacity or yield of the Federal storage project that the expansion will not adversely affect any right or interest of the entity under the water service contract or repayment contract, as applicable; and

(B) the agreement of the eligible entity that, pursuant to a formal operations and maintenance transfer contract or other legal agreement with the Secretary, acting through the Commissioner of Reclamation, carries out the operations and maintenance of the Federal storage project, if applicable.

(c) Non-Federal Storage Projects.—

(1) Grant program.—

(A) In general.—The Secretary may establish a competitive grant program under which—

(i) any eligible entity may apply for a grant for the design, study, construction, expansion, upgrade, or capital repair of a non-Federal storage project; and

(ii) the Secretary shall issue annual solicitations for eligible entities to apply for grants for the design, study, construction, expansion, upgrade, or capital repair of a non-Federal storage project.

(B) Project selection.—If the Secretary establishes a competitive grant program under subparagraph (A), on approval by the Secretary of an application for a grant submitted by an eligible entity in accordance with subparagraph (A)(ii) and in accordance with this subsection, the Secretary may provide a grant to the eligible entity in an amount equal to not more than 25 percent of the total cost of the non-Federal storage project for the design, study, construction, expansion, upgrade, or capital repair of a non-Federal storage project.

(2) Conditions for federal design and study funding.—

(A) In general.—The Secretary shall provide a grant for design or study of a non-Federal storage project under this subsection only if—

(i) the Governor of the State in which the non-Federal storage project is located supports Federal funding of the non-Federal storage project;

(ii) the Secretary has identified the potential for Federal benefit sufficient to proceed;

(iii) in the case of a major non-Federal storage project, the feasibility study for the major non-Federal storage project is federally authorized, including a feasibility study authorized under—

(I) section 9503(d) of the Omnibus Public Land Management Act of 2009 (42 U.S.C. 10363(d)); or

(II) section 5B of the Reclamation Safety of Dams Act of 1978 (43 U.S.C. 509b); and

(iv) in the case of a standard non-Federal storage project, an appropriations Act has specifically designated the expenditure of funds appropriated pursuant to subsection (f) for the initial grant for the design and study of the standard non-Federal storage project.

(B) Reclamation recommendations.—The Commissioner of Reclamation shall submit to the relevant committees of Congress recommendations regarding the initial grant of design and study funding for standard non-Federal storage projects under this subsection.

(3) Conditions for federal construction funding.—

(A) In general.—The Secretary shall provide a grant for the construction of a non-Federal storage project under this subsection only if—

(i) the Governor of the State in which the non-Federal storage project is located supports Federal funding of the project;

(ii) the eligible entity determines, and the Secretary concurs, that—

(I) the non-Federal storage project is technically and financially feasible;

(II) the non-Federal storage project provides a Federal benefit in accordance with the reclamation laws;

(III) not less than a proportionate share of the benefits of the non-Federal storage project are Federal benefits, including water supplies dedicated to specific purposes, such as water quality improvements or fish and wildlife protection and restoration, including a wildlife refuge; and

(IV) the eligible entity is financially capable of funding the non-Federal share of the project costs;

(iii) in the case of a major non-Federal storage project, the construction has been authorized by an Act of Congress, including through an applicable standing authorization under section 5B of the Reclamation Safety of Dams Act of 1978 (43 U.S.C. 509b) or any other applicable law; and

(iv) in the case of a standard non-Federal storage project—

(I) an appropriations Act has specifically designated the expenditure of funds appropriated pursuant to subsection (f) for the initial grant for the construction of the standard non-Federal storage project; and

(II) if the Commissioner of Reclamation or eligible entity estimates that the construction cost of the standard non-Federal storage project will exceed the maximum cost of the non-Federal storage project in accordance with subsection (g), an appropriations Act has specifically designated the expenditure of funds appropriated pursuant to subsection (f) for the first subsequent award of construction funding.

(B) Reclamation recommendations.—The Commissioner of Reclamation shall submit to the relevant committees of Congress recommendations regarding—

(i) the initial award of construction funding for a standard non-Federal storage project; and

(ii) the first subsequent award of construction funding in a case in which a standard non-Federal storage project has been estimated to exceed the maximum cost pursuant to subparagraph (A)(iv)(II).

(4) Notice.—Not later than 30 days after the date of a determination under paragraph (2) or (3), the Secretary shall submit to the relevant committees of Congress and make publicly available on the internet notice of the determination.

(5) Environmental laws.—In providing a grant to a non-Federal storage project under this subsection, the Secretary shall comply with all applicable environmental laws, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(6) Information.—

(A) In general.—In providing a grant to a non-Federal storage project under this subsection, the Secretary—

(i) shall—

(I) generally, rely on reports prepared by the sponsor of the non-Federal storage project, including feasibility or equivalent studies, environmental analyses, and other pertinent reports and analyses; but

(II) retain responsibility for making the independent determinations described in paragraphs [(2)(A)] and (3)(A)(ii); and

(ii) may prepare studies supplementary to the studies described in clause (i)(I), on—

(I) request of the sponsor of the eligible entity; and

(II) agreement by the Secretary.

(B) Guidelines.—

(i) Draft.—Not later than 180 days after the date of enactment of this Act, the Secretary shall issue draft guidelines for feasibility or equivalent studies for non-Federal storage projects prepared by an eligible entity that shall be consistent with requirements for a title XVI Feasibility Study Report, including the economic analysis, contained in the Reclamation Manual Directives and Standards numbered WTR 11–01, subject to—

(I) any additional requirements necessary to provide sufficient information for making the independent determinations described in paragraphs (2)(A) and (3)(A)(ii); and

(II) the condition that the Bureau of Reclamation shall not bear responsibility for the technical adequacy of any design, cost estimate, or construction relating to a non-Federal storage project.

(ii) Final.—The Secretary shall finalize the guidelines under clause (i) by not later than 1 year after the date of enactment of this Act.

(7) Natural water storage pilot program.—

(A) In general.—The Secretary may carry out a pilot program under which the Secretary shall provide financial assistance to an eligible entity or a qualified partner for the conduct of natural water storage projects, in accordance with this subsection.

(B) Additional conditions for federal construction funding.—The Secretary shall only provide financial assistance for the costs of construction of a natural water storage project conducted under this paragraph if—

(i) the conditions in paragraph (3)(A)(ii) have been met with respect to the natural water storage project;

(ii) the eligible entity determines, and the Secretary concurs, that—

(I) the natural water storage project would produce or allow additional retention or delivery of water in a watershed in which a Bureau of Reclamation facility is located; and

(II) there is a credible estimate of the quantity of the storage benefit of the natural water storage project during each of a “wet” year, a “normal” year, and a “dry” year;

(iii) an appropriations Act has specifically designated the expenditure of funds appropriated pursuant to subsection (f) for the initial grant for the construction of the natural water storage project; and

(iv) if the Commissioner of Reclamation, eligible entity, or qualified partner estimates that the construction cost of the natural water storage project will exceed the maximum cost of the natural water storage project in accordance with subsection (g), an appropriations Act has specifically designated the expenditure of funds appropriated pursuant to subsection (f) for the first subsequent award of construction funding.

(C) Reclamation recommendations.—The Commissioner of Reclamation shall submit to the relevant committees of Congress recommendations regarding—

(i) the initial award of construction funding for a natural water storage project; and

(ii) the first subsequent award of construction funding in a case in which a natural water storage project has been estimated to exceed the maximum cost pursuant to subparagraph (B)(iv).

(d) Rights To Use Capacity.—Subject to compliance with applicable Reclamation State water rights laws, the right to use the capacity of a Federal storage project or non-Federal storage project with respect to which the Secretary has entered into an agreement under this subsection shall be allocated in such manner as may be mutually agreed to by the Secretary and each other party to the agreement.

(e) Federal Benefits.—In making a determination relating to a Federal benefit under this section, the Secretary may include any benefit realized from the existence of operational flexibility to optimize the achievement of an authorized project purpose (whether reimbursable or nonreimbursable), taking into consideration the hydrology of a given water year, including through the coordinated management of Federal and non-Federal facilities.

(f) Funding.—

(1) Authorization of appropriations.—There is authorized to be appropriated to the Secretary to carry out this section $750,000,000 for the period of fiscal years 2022 through 2026, of which $20,000,000 is authorized to be appropriated during that period to carry out the pilot program established under subsection (c)(7)(A).

(2) Preliminary studies.—Of the amounts made available under paragraph (1), not more than 25 percent shall be provided for appraisal studies, feasibility studies, or other preliminary studies.

(3) Wiin act storage funding.—The Secretary may award funding made available under section 4007(h) of the Water Infrastructure Improvements for the Nation Act (43 U.S.C. 390b note; Public Law 114–322) to—

(A) Federal storage projects in accordance with the requirements of this section, including the conditions for Federal funding described in subsection (b); and

(B) non-Federal storage projects in accordance with the requirements of this section, including the conditions for Federal funding described in subsection (c).

(g) Cost Overruns.—

(1) In general.—To minimize the risk of cost overruns, each total cost set forth with respect to a Federal storage project or a non-Federal storage project shall be the maximum cost of the project, except that the maximum amount—

(A) may be increased by the Secretary for any modification that does not materially alter the scope or functions of the project as authorized, but not by more than 20 percent of the total cost stated for the project; and

(B) shall be automatically increased for—

(i) changes in construction costs applied to unconstructed features (including real property acquisitions, preconstruction studies, planning, engineering, and design) after the date of enactment of this Act (unless otherwise specified) as indicated by engineering and other appropriate cost indexes; and

(ii) additional studies, modifications, and actions (including mitigation and other environmental actions) authorized after the date of enactment of this Act.

(2) Contributions by eligible entities.—Notwithstanding paragraph (1), the Secretary may—

(A) accept funds from an eligible entity or qualified partner for any authorized Federal storage project or non-Federal storage project that has exceeded the maximum cost under paragraph (1); and

(B) use the funds accepted under subparagraph (A) to carry out the project, if the use of the funds does not increase the Federal share of the cost of the project.

(h) Consistency With State Law.—Nothing in this section preempts or modifies any obligation of the United States or an eligible entity to act in accordance with applicable State law.

(i) Partnership and Agreements Relating to Certain Water Storage Projects.—The Secretary, acting through the Commissioner of Reclamation, may enter into a partnership or other agreement relating to a water storage project described in section 103 of the Calfed Bay-Delta Authorization Act (Public Law 108–361; 118 Stat. 1683) with a local joint-powers authority established pursuant to State law by 1 or more irrigation districts or other local water districts or units of local government within the applicable hydrologic region, to advance the project.

(j) Calfed Reauthorization.—Title I of Public Law 108–361 (118 Stat. 1681; 123 Stat. 2860; 128 Stat. 164; 128 Stat. 2312; 129 Stat. 2407; 130 Stat. 1866) is amended by striking “2019” each place it appears and inserting “2024”.

SEC. 104. STUDIES OF PROPOSED FEDERAL STORAGE PROJECTS BY ELIGIBLE ENTITIES.

(a) Submission to the Secretary.—

(1) In general.—An eligible entity may undertake and submit to the Secretary a feasibility study of a proposed Federal storage project authorized pursuant to the reclamation laws, including—

(A) section 9503(d) of the Omnibus Public Land Management Act of 2009 (42 U.S.C. 10363(d)); or

(B) section 5B of the Reclamation Safety of Dams Act of 1978 (43 U.S.C. 509b).

(2) Guidelines.—To assist eligible entities in undertaking feasibility studies under paragraph (1), the Secretary, as soon as practicable after the date of enactment of this Act, shall issue guidelines for feasibility studies of proposed Federal storage projects to provide sufficient information for the formulation of the studies.

(b) Review by Secretary.—The Secretary shall review each feasibility study received under subsection (a)(1) for the purpose of determining whether or not the study and the process under which the study was developed comply with Federal laws (including regulations) applicable to feasibility studies of proposed Federal storage projects.

(c) Submission to Congress.—

(1) Review and submission of studies to congress.—Not later than 180 days after the date of receipt of a feasibility study of a proposed Federal storage project under subsection (a)(1), the Secretary shall submit to the authorizing committees of Congress a report that describes—

(A) the results of the review by the Secretary of the study under subsection (b), including a determination of whether the proposed Federal storage project is feasible;

(B) any recommendations the Secretary may have concerning the plan or design of the proposed Federal storage project; and

(C) any conditions the Secretary may require for construction of the proposed Federal storage project.

(2) Limitation.—The completion of a review by the Secretary of a feasibility study that has been submitted under subsection (a)(1) shall not be delayed as a result of consideration of a change in policy or priority with respect to project consideration.

(d) Credit.—If a proposed Federal storage project for which a feasibility study has been submitted under subsection (a)(1) is authorized by a Federal law enacted after the date of the submission to the authorizing committees of Congress under subsection (c)(1), the Secretary shall credit toward the non-Federal share of the cost of construction of the proposed Federal storage project an amount equal to the portion of the cost of developing the study that would have been the responsibility of the United States if the study had been developed by the Secretary.

(e) Review and Technical Assistance.—

(1) Review.—The Secretary may accept and expend funds provided by eligible entities to undertake reviews, inspections, certifications, and other activities that are the responsibility of the Secretary in carrying out this section.

(2) Technical assistance.—At the request of an eligible entity, the Secretary shall provide to the eligible entity technical assistance relating to any aspect of a feasibility study carried out by the eligible entity under this section if the eligible entity contracts with the Secretary to pay all costs of providing the technical assistance.

(3) Limitation.—Funds provided by eligible entities under this subsection shall not be eligible for credit under subsection (d) or reimbursement.

(4) Impartial decisionmaking.—In carrying out this section, the Secretary shall ensure that the use of funds accepted from an eligible entity will not affect the impartial decisionmaking responsibilities of the Secretary, either substantively or procedurally.

(5) Savings provision.—The provision of technical assistance by the Secretary under paragraph (2)—

(A) shall not be considered to be an approval or endorsement of a feasibility study; and

(B) shall not affect the responsibilities of the Secretary under subsections (b) and (c).

(f) Environmental Compliance.—Nothing in this section affects any obligation of the United States or any eligible entity to act in compliance with applicable Federal and State environmental laws.

SEC. 105. DESALINATION PROJECT DEVELOPMENT.

Section 4(a) of the Water Desalination Act of 1996 (42 U.S.C. 10301 note; Public Law 104–298) is amended by striking the second paragraph (1) (relating to projects) and inserting the following:

“(2) Projects.—

“(A) Definitions.—In this paragraph:

“(i) Eligible desalination project.—The term ‘eligible desalination project’ means any project located in a Reclamation State, or for which the construction, operation, sponsorship, or funding is the responsibility of, and the primary water supply benefit accrues to, 1 or more entities in a Reclamation State, that—

“(I) involves an ocean or brackish water desalination facility—

“(aa) constructed, operated, and maintained by a State, Indian Tribe, irrigation district, water district, or other organization with water or power delivery authority; or

“(bb) sponsored or funded by any combination of a State, department of a State, political subdivision of a State, or public agency organized pursuant to State law, including through—

“(AA) direct sponsorship or funding; or

“(BB) indirect sponsorship or funding, such as by paying for the water provided by the facility;

“(II) provides a Federal benefit in accordance with the reclamation laws; and

“(III) is consistent with applicable Federal and State resource protection laws, including any law relating to the protection of marine protected areas.

“(ii) Rural desalination project.—The term ‘rural desalination project’ means an eligible desalination project that is designed to serve a community or group of communities, each of which has a population of not more than 25,000 inhabitants.

“(B) Cost-sharing requirement.—

“(i) In general.—Subject to the requirements of this subsection and notwithstanding section 7, the Federal share of an eligible desalination project carried out under this subsection shall be—

“(I) not more than 25 percent of the total cost of the eligible desalination project; or

“(II) in the case of a rural desalination project, the applicable percentage determined in accordance with clause (ii).

“(ii) Rural desalination projects.—

“(I) Cost-sharing requirement for appraisal studies.—Subject to subclause (IV), in the case of a rural desalination project carried out under this subsection, the Federal share of the cost of appraisal studies for the rural desalination project shall be—

“(aa) 75 percent of the total costs of the appraisal studies, up to $200,000; and

“(bb) if the total costs of the appraisal studies are more than $200,000, 50 percent of any amounts over $200,000.

“(II) Cost-sharing requirement for feasibility studies.—Subject to subclause (IV), in the case of a rural desalination project carried out under this subsection, the Federal share of the cost of feasibility studies for the rural desalination project shall be not more than 50 percent.

“(III) Cost-sharing requirement for construction costs.—Subject to subclause (IV), in the case of a rural desalination project carried out under this subsection, the Federal share of the cost of construction of the rural desalination project shall be not more than 75 percent.

“(IV) Reduction in non-federal share.—The Secretary may reduce the non-Federal share of a rural desalination project required under subclause (I), (II), or (III) by not more than 10 percent if the Secretary determines, after consultation with the heads of any other Federal agencies that are partners in the rural desalination project and in accordance with applicable Reclamation standards, that the reduction is appropriate due to—

“(aa) an overwhelming Federal interest in the rural desalination project; and

“(bb) the sponsor of the rural desalination project demonstrating financial hardship.

“(C) State role.—Participation by the Secretary in an eligible desalination project under this paragraph shall not occur unless—

“(i)(I) the eligible desalination project is included in a State-approved plan; or

“(II) the participation has been requested by the Governor of the State in which the eligible desalination project is located;

“(ii) the State or local sponsor of the eligible desalination project determines, and the Secretary concurs, that—

“(I) the eligible desalination project—

“(aa) is technically and financially feasible;

“(bb) provides a Federal benefit in accordance with the reclamation laws; and

“(cc) is consistent with applicable Federal and State laws (including regulations);

“(II) sufficient non-Federal funding is available to complete the eligible desalination project; and

“(III) the non-Federal project sponsor is financially capable of funding the non-Federal share of the project costs; and

“(iii) the Secretary submits to the relevant committees of Congress and makes publicly available on the internet a written notification of the determinations under clause (ii) by not later than 30 days after the date of the determinations.

“(D) Environmental laws.—In participating in an eligible desalination project under this paragraph, the Secretary shall comply with all applicable environmental laws, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

“(E) Information.—In participating in an eligible desalination project under this subsection, the Secretary—

“(i) may rely on reports prepared by the sponsor of the eligible desalination project, including feasibility or equivalent studies, environmental analyses, and other pertinent reports and analyses; but

“(ii) shall retain responsibility for making the independent determinations described in subparagraph (C).

“(F) Funding.—

“(i) Authorization of appropriations.—There is authorized to be appropriated to carry out this paragraph $80,000,000 for the period of fiscal years 2022 through 2026, of which not less than $10,000,000 shall be made available during that period for rural desalination projects.

“(ii) Funding opportunity announcement.—The Commissioner of Reclamation shall release a funding opportunity announcement for a grant program under this paragraph by not later than 75 days after the date of enactment of an Act that provides funding for the program.

“(iii) Congressional approval initially required.—

“(I) In general.—Each initial award under this paragraph for design and study, or for construction, of an eligible desalination project shall be approved in an appropriations Act.

“(II) Reclamation recommendations.—The Commissioner of Reclamation shall submit recommendations regarding the initial award of design and study funding and construction funding for consideration under subclause (I) to—

“(aa) the Committee on Appropriations of the Senate;

“(bb) the Committee on Energy and Natural Resources of the Senate;

“(cc) the Committee on Appropriations of the House of Representatives; and

“(dd) the Committee on Natural Resources of the House of Representatives.

“(iv) Subsequent funding awards.—After approval by Congress of an initial award of design and study funding or construction funding for an eligible desalination project under clause (iii), the Commissioner of Reclamation may award additional design and study funding or construction funding, respectively, for the eligible desalination project without further congressional approval.”.

SEC. 106. RECLAMATION INFRASTRUCTURE FINANCE AND INNOVATION PILOT PROGRAM.

(a) Establishment.—The Secretary shall establish and carry out a pilot program under which the Secretary shall provide to eligible entities described in subsection (c) loans and technical assistance in accordance with this section to carry out eligible projects described in subsection (b).

(b) Eligible Projects.—

(1) In general.—A project eligible to receive assistance under the pilot program under this section is a water supply or water conservation project that, as determined by the Secretary—

(A) is located in—

(i) the State of Alaska;

(ii) the State of Hawaii; or

(iii) a State or territory described in the first section of the Act of June 17, 1902 (32 Stat. 388, chapter 1093; 43 U.S.C. 391); and

(B) would—

(i) contribute directly or indirectly (including through groundwater recharge) to a safe, adequate water supply for domestic, agricultural, environmental, or municipal and industrial use; or

(ii) promote water conservation or water use efficiency; and

(C) is otherwise eligible for assistance under this section.

(2) Projects associated with bureau of reclamation facilities.—A project that supports an improvement to, or is associated with, a Bureau of Reclamation facility shall be eligible to receive assistance under the pilot program under this section if—

(A) the project meets the criteria described in paragraph (1);

(B) the eligible entity carrying out the project demonstrates to the satisfaction of the Secretary that the eligible entity is initiating and implementing the project for non-Federal purposes;

(C) the eligible entity retains or secures, through a long-term Federal property lease, operation and maintenance transfer agreement that provides for self-funding, or easement agreement with the Secretary, substantial control over the assets, operation, management, and maintenance of the project; and

(D) the project meets such other criteria as the Secretary may establish.

(3) Small community projects.—For projects eligible for assistance under this section and section 5028(a)(2)(B) of the Water Resources Reform and Development Act of 2014 (33 U.S.C. 3907(a)(2)(B)), the Secretary may assist applicants in combining 1 or more projects into a single application in order to meet the minimum project cost of $5,000,000 required under that section.

(c) Eligible Entities.—The following entities are eligible to receive assistance under this section:

(1) An entity described in section 5025 of the Water Resources Reform and Development Act of 2014 (33 U.S.C. 3904).

(2) A conservancy district, Reclamation district, irrigation district, or water district.

(3) A canal company or mutual water company.

(4) A water users’ association.

(5) An agency established by an interstate compact.

(6) An agency established under State law for the joint exercise of powers.

(7) Any other individual or entity that has the capacity to contract with the United States under the reclamation laws.

(d) Requirements.—

(1) Project selection.—In selecting eligible projects to receive assistance under the pilot program under this section, the Secretary shall ensure diversity with respect to—

(A) project type; and

(B) geographical location within the States referred to in subsection (b)(1)(A).

(2) Importation of other requirements.—The following provisions of law shall apply to the pilot program under this section:

(A) Sections 5022, 5024, 5027, 5028, 5029, 5030, 5031, 5032, and 5034(a) of the Water Resources Reform and Development Act of 2014 (33 U.S.C. 3901, 3903, 3906, 3907, 3908, 3909, 3910, 3911, 3913(a)), except that—

(i) any reference contained in those sections to the Secretary of the Army shall be considered to be a reference to the Secretary;

(ii) any reference contained in those sections to an eligible project shall be considered to be a reference to an eligible project described in subsection (b);

(iii) paragraphs (1)(E) and (6)(B) of subsection (a), and subsection (b)(3), of section 5028 of that Act (33 U.S.C. 3907) shall not apply with respect to this section; and

(iv) subsections (e) and (f) of section 5030 of that Act (33 U.S.C. 3909) shall not apply with respect to this section.

(B) The agreement between the Administrator of the Environmental Protection Agency and the Commissioner of Reclamation required under section 4301 of the America’s Water Infrastructure Act of 2018 (Public Law 115–270), pursuant to which the Administrator shall retain responsibility for administering any loans under this section.

(C) Other applicable environmental laws, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(e) Authorization of Appropriations.—

(1) In general.—There is authorized to be appropriated to the Secretary to carry out the pilot program under this section $150,000,000 for the period of fiscal years 2022 through 2026, to remain available until expended.

(2) Administrative costs.—Of the funds made available pursuant to paragraph (1), the Secretary may use for administrative costs of carrying out the pilot program under this section (including for the provision of technical assistance to project sponsors pursuant to paragraph (3), to obtain any necessary approval, and for transfer to the Administrator of the Environmental Protection Agency to provide assistance in administering and servicing Federal credit instruments under the pilot program) not more than $5,000,000 for each applicable fiscal year.

(3) Small community projects.—

(A) In general.—Subject to subsection (b), the Commissioner may use the funds made available under paragraph (2) to provide assistance, including assistance to pay the costs of acquiring the rating opinion letters under paragraph (1)(D) of section 5028(a) of the Water Resources Reform and Development Act of 2014 (33 U.S.C. 3907(a)), to assist project sponsors in obtaining the necessary approvals for small community projects that are eligible for assistance under paragraph (2)(B) of that section or subsection (b)(3).

(B) Limitation.—Assistance provided to a project sponsor under subparagraph (A) may not exceed an amount equal to 75 percent of the total administrative costs incurred by the project sponsor in securing financial assistance under this section.

SEC. 107. WATERSMART EXTENSION AND EXPANSION.

(a) Definition of Eligible Applicant.—Section 9502 of the Omnibus Public Land Management Act of 2009 (42 U.S.C. 10362) is amended—

(1) in the matter preceding paragraph (1), by striking “section” and inserting “subtitle”;

(2) by striking paragraph (7) and inserting the following:

“(7) Eligible applicant.—The term ‘eligible applicant’ means—

“(A) any State, Indian tribe, irrigation district, or water district;

“(B) any State, regional, or local authority, the members of which include 1 or more organizations with water or power delivery authority;

“(C) any other organization with water or power delivery authority; and

“(D) any nonprofit conservation organization, if the nonprofit conservation organization is acting in partnership with and with the agreement of an entity described in subparagraph (A), (B), or (C).”; and

(3) in paragraph (10), by striking “450b” and inserting “5304”.

(b) Water Management Improvement.—Section 9504(a) of the Omnibus Public Land Management Act of 2009 (42 U.S.C. 10364(a)) is amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A), by inserting “or carrying out any activity” after “any improvement”;

(B) by striking subparagraphs (A) through (E);

(C) by redesignating subparagraphs (F) through (H) as subparagraphs (B) through (D), respectively;

(D) by inserting before subparagraph (B) (as so redesignated) the following:

“(A) to assist States and water users in complying with interstate compacts or reducing basin water supply-demand imbalances, including through temporary, voluntary, and compensated transactions that decrease consumptive water use at a regional or watershed scale;”;

(E) in subparagraph (B) (as so redesignated), by striking “to prevent” and inserting “to achieve the prevention of”;

(F) in subparagraph (C) (as so redesignated), by striking “to accelerate” and inserting “to achieve the acceleration of”; and

(G) in subparagraph (D) (as so redesignated)—

(i) by striking clause (i) and inserting the following:

“(i) to increase ecological resilience to climate change, including by enhancing natural water storage within a floodplain or riparian wetland, by addressing climate-related impacts or vulnerability to the water supply of the United States;”;

(ii) in clause (ii), by striking the period at the end and inserting “; or”; and

(iii) by adding at the end the following:

“(iii) to plan for or address the impacts of drought.”;

(2) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively;

(3) by inserting after paragraph (1) the following:

“(2) Eligible projects.—The improvements or activities eligible for assistance under paragraph (1) may include improvements or activities—

“(A) using an approach—

“(i) to conserve water;

“(ii) to increase water use efficiency;

“(iii) to facilitate water markets; or

“(iv) to enhance water management, including increasing the use of renewable energy in the management and delivery of water or increasing natural water storage;

“(B) to improve the condition of natural water recharge infrastructure; or

“(C) to achieve the acceleration of the adoption and use of advanced water treatment technologies to increase water supply.”; and

(4) in paragraph (4) (as so redesignated)—

(A) in subparagraph (B)(i), by striking subclause (II) and inserting the following:

“(II) to use the assistance provided under a grant or agreement to increase the consumptive use of water for agricultural operations above the pre-project levels, as determined pursuant to the law of the State in which the operation of the eligible applicant is located.”; and

(B) in subparagraph (E)—

(i) by striking clause (i) and inserting the following:

“(i) Federal share.—

“(I) In general.—Except as provided in subclause (II), the Federal share of the cost of any infrastructure improvement or activity that is the subject of a grant or other agreement entered into between the Secretary and an eligible applicant under paragraph (1) shall not exceed 50 percent of the cost of the infrastructure improvement or activity.

“(II) Increased federal share for certain infrastructure improvements and activities.—

“(aa) In general.—The Federal share of the cost of an infrastructure improvement or activity described in item (bb) shall not exceed 75 percent of the cost of the infrastructure improvement or activity.

“(bb) Infrastructure improvements and activities described.—An infrastructure improvement or activity referred to in item (aa) is an infrastructure improvement or activity that provides benefits to consumptive water users and nonconsumptive ecological or recreational values in which—

“(AA) in the case of an infrastructure improvement or activity that conserves water, the conserved water is returned to a surface water source with ecological or recreational benefits; or

“(BB) in the case of other infrastructure improvements or activities, the majority of the benefits are nonconsumptive ecological or recreational benefits.”; and

(ii) in clause (ii), in the matter preceding subclause (I), by striking “paragraph (2)” and inserting “paragraph (3)”.

(c) Research Agreements.—Section 9504(b)(1) of the Omnibus Public Land Management Act of 2009 (42 U.S.C. 10364(b)(1)) is amended—

(1) in the matter preceding subparagraph (A), by inserting “nonprofit conservation organization acting in partnership with and with the agreement of an organization with water or power delivery authority,” before “or organization”;

(2) in subparagraph (B), by striking “or” at the end;

(3) by redesignating subparagraph (C) as subparagraph (D); and

(4) by inserting after subparagraph (B) the following:

“(C) to increase natural water storage infrastructure; or”.

(d) Water Management Improvement.—Section 9504(e) of the Omnibus Public Land Management Act of 2009 (42 U.S.C. 10364(e)) is amended by striking “$480,000,000” and inserting “$650,000,000, subject to the condition that $50,000,000 of that amount shall be used to carry out section 206 of the Energy and Water Development and Related Agencies Appropriations Act, 2015 (43 U.S.C. 620 note; Public Law 113–235)”.

(e) Conforming Amendment.—Section 4009(d) of Public Law 114–322 (42 U.S.C. 10364 note) is amended by striking “on the condition that of that amount, $50,000,000 of it is used to carry out section 206 of the Energy and Water Development and Related Agencies Appropriation Act, 2015 (43 U.S.C. 620 note; Public Law 113–235)”.

SEC. 108. EMERGENCY DROUGHT FUNDING.

(a) Financial Assistance.—

(1) In general.—Financial assistance may be made available under the Reclamation States Emergency Drought Relief Act of 1991 (43 U.S.C. 2201 et seq.) for eligible water projects to assist Western States and Tribal governments to address drought-related impacts to water supplies or any other immediate water-related crisis or conflict, including through voluntary, temporary, and compensated programs to reduce water demands for the purpose of increasing water available in a system or reducing water supply-demand imbalances.

(2) Additional availability.—Financial assistance may be made available under this subsection to organizations and entities with water delivery authority that are—

(A) engaged in collaborative processes to restore the environment; or

(B) part of a basin-wide solution for restoration.

(3) Types of assistance.—Assistance under paragraph (1) may include a range of projects, including—

(A) the installation of pumps, temporary barriers, or operable gates for water diversion and fish protection;

(B) the installation of drought-relief groundwater wells for Indian Tribes and in wildlife refuges and other environmentally sensitive areas requiring emergency surface water flow augmentation;

(C) agricultural and urban conservation and efficiency projects;

(D) exchanges with any water district willing to provide water to meet the emergency water needs of other water districts in return for the delivery of equivalent quantities of water later that year or in future years;

(E) maintenance of cover crops to prevent public health impacts from severe dust storms;

(F) emergency pumping projects for critical health and safety purposes;

(G) activities to reduce water demand consistent with a comprehensive program for environmental restoration and settlement of water rights claims;

(H) the use of new or innovative on-farm water conservation technologies or methods that may—

(i) assist in sustaining permanent crops in areas with severe water shortages; and

(ii) make water available for other beneficial uses;

(I) activities that protect, restore, or enhance fish and wildlife habitat or otherwise improve environmental conditions, including water quantity or quality concerns and improved fish passage;

(J) activities reducing or preventing groundwater depletion or promoting groundwater recharge;

(K) technical assistance to improve existing irrigation practices to provide water supply benefits;

(L) the investigation of, and pilot projects for, brackish water development and aquifer storage and recovery;

(M) the lining of irrigation ditches and canals to reduce water loss and improve efficiency;

(N) assistance to municipal water management entities for water supply planning in preparation for and in response to dry, critically dry, and below normal water years, including—

(i) hydrological forecasting;

(ii) identification of alternative water supply sources; and

(iii) guidance on potential water transfer partners; and

(O) any other assistance the Secretary determines to be necessary—

(i) to increase available water supplies;

(ii) to reduce water supply-demand imbalances in a hydrologic system;

(iii) to maintain the health of river ecosystems; or

(iv) to mitigate drought impacts.

(4) Authorization of appropriations.—There is authorized to be appropriated to provide financial assistance under this subsection not more than $180,000,000 for the period of fiscal years 2006 through 2024, of which not more than $30,000,000 shall be made available during that period for the conduct of actions authorized under title I of the Reclamation States Emergency Drought Relief Act of 1991 (43 U.S.C. 2211 et seq.) to benefit imperiled fish and wildlife.

(b) Applicable Period of Drought Program.—Section 104 of the Reclamation States Emergency Drought Relief Act of 1991 (43 U.S.C. 2214) is amended by striking subsection (a) and inserting the following:

“(a) In General.—The programs and authorities established under this title shall become operative in any Reclamation State and in the State of Hawaii only—

“(1) after the Governor or Governors of the affected State or States, or the governing body of an affected Indian Tribe with respect to a reservation, has made a request for temporary drought assistance and the Secretary has determined that the temporary assistance is merited;

“(2) after a drought emergency has been declared by the Governor or Governors of the affected State or States; or

“(3) on approval of a drought contingency plan as provided in title II.”.

TITLE II—IMPROVED TECHNOLOGY AND DATA

SEC. 201. REAUTHORIZATION OF THE TRANSBOUNDARY AQUIFER ASSESSMENT PROGRAM.

(a) Designation of Priority Transboundary Aquifers.—Section 4(c)(2) of the United States-Mexico Transboundary Aquifer Assessment Act (42 U.S.C. 1962 note; Public Law 109–448) is amended by striking “New Mexico or Texas” and inserting “New Mexico, Texas, or Arizona (other than an aquifer underlying Arizona and Sonora, Mexico, that is partially within the Yuma groundwater basin designated by the order of the Director of the Arizona Department of Water Resources dated June 21, 1984)”.

(b) Reauthorization.—

(1) Authorization of appropriations.—Section 8(a) of the United States-Mexico Transboundary Aquifer Assessment Act (42 U.S.C. 1962 note; Public Law 109–448) is amended by striking “fiscal years 2007 through 2016” and inserting “fiscal years 2020 through 2029”.

(2) Sunset of authority.—Section 9 of the United States-Mexico Transboundary Aquifer Assessment Act (42 U.S.C. 1962 note; Public Law 109–448) is amended by striking “enactment of this Act” and inserting “enactment of the Drought Resiliency and Water Supply Infrastructure Act”.

TITLE III—ECOSYSTEM RESTORATION AND PROTECTION

SEC. 301. RESTORATION AND ENVIRONMENTAL COMPLIANCE.

(a) Definitions.—In this section:

(1) Committee.—The term “Committee” means the Integrated Water Management Federal Leadership Committee established under subsection (c)(1).

(2) Project.—The term “project” includes—

(A) planning, design, permitting, and preconstruction activities;

(B) construction, construction management, replacement, and other similar activities;

(C) management activities, including the acquisition of an interest in land or water, including the acquisition of a conservation easement;

(D) research, development, demonstration (including the demonstration of the scalability of a project or activity), and monitoring; and

(E) project administration activities.

(b) Grants, Contracts, and Other Agreements for Environmental Restoration and Compliance Projects.—

(1) In general.—The Secretary may use amounts made available under subsection (d) to provide grants to, and enter into contracts, cooperative agreements, memoranda of understanding, or other financial assistance agreements with, eligible entities or qualified partners for the purposes of carrying out eligible projects described in paragraph (2), subject to such terms and conditions as the Secretary may require.

(2) Eligible projects.—Projects eligible for assistance under paragraph (1) include —

(A) environmental restoration projects benefitting species—

(i) that are adversely affected by the operation of water projects of the Bureau of Reclamation; or

(ii) through water deliveries from or through a reclamation project to—

(I) a wildlife refuge; or

(II) any other habitat improvement project;

(B) environmental compliance projects (including screening unscreened or inadequately screened diversions, relocation of diversions to less fishery-sensitive areas, and stream gauging, monitoring, and other data collection activities) to assist a water project of the Bureau of Reclamation in—

(i) achieving the purposes of the project; and

(ii) fulfilling the duties of the Bureau of Reclamation under section 7 of the Endangered Species Act of 1973 (16 U.S.C. 1536); and

(C) a forest, meadow, or watershed restoration project on Federal land—

(i) that has the potential—

(I) to restore healthy forest or watershed conditions that improve the quality, timing, or other attributes of runoff to—

(aa) a Bureau of Reclamation facility or project; or

(bb) surface or groundwater storage operated in conjunction with a Bureau of Reclamation facility or project;

(II) to reduce the rate of sedimentation of a Bureau of Reclamation facility; or

(III) to reduce the threat of wildfire that could affect runoff to, or sedimentation or structural integrity of, a Bureau of Reclamation facility; and

(ii) with respect to which—

(I) the proportion that the amount of Federal funding under this section bears to the total cost of the project is approximately equal to, or less than, the proportion that water-related benefits bears to the total benefits of the project, as calculated by the Secretary using a methodology at the discretion of the Secretary; and

(II) Federal water contractors are likely to receive at least part of the water supply or water quality benefits of the project.

(3) Priority.—In carrying out this section, the Secretary shall give priority to eligible projects described in paragraph (2) that—

(A) implement congressional direction, such as projects described in—

(i) paragraph (2)(C);

(ii) section 4001 or 4010 of the Water Infrastructure Improvements for the Nation Act (Public Law 114–322; 130 Stat. 1851); or

(iii) congressionally authorized species recovery programs on the Colorado River;

(B) are recommended by collaborative processes or plans developed by Federal agencies in conjunction with States, water contractors, environmental or fishing interests, or other stakeholders, including integrated water management projects integrating water supply and flood control for the purpose of restoring, protecting, and enhancing floodplains and managed wetlands for improved species habitat; or

(C) implement settlements with State agencies or requirements under State water laws to restore species listed as threatened or endangered under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) or other species adversely affected by the operation of water projects of the Bureau of Reclamation.

(4) Cost-share.—

(A) In general.—The Federal share of the cost of a project carried out using funds made available pursuant to this section—

(i) shall be not more than 50 percent; and

(ii) shall be nonreimbursable.

(B) Program-level calculation.—The Federal cost-share described in subparagraph (A) shall be calculated at the program level, at which a group of projects are considered to be a part of a broader, cohesive program.

(C) Form of non-federal share.—The non-Federal share of the cost of a project carried out using funds made available pursuant to this section may include in-kind contributions.

(c) Integrated Water Management Federal Leadership Committee.—

(1) In general.—Not later than 180 days after the date on which an eligible entity or qualified partner sponsoring a project prioritized under subsection (b)(3)(B) submits to the Secretary a request for the establishment the Integrated Water Management Federal Leadership Committee, the Secretary shall establish the Integrated Water Management Federal Leadership Committee.

(2) Chairperson.—The Assistant Secretary for Water and Science of the Department of the Interior shall—

(A) serve as the chairperson of the Committee; and

(B) coordinate the activities of, and communication among, members of the Committee.

(3) Membership.—The Committee shall include representatives of Federal agencies with responsibility for water and natural resource issues, including representatives of—

(A) the Bureau of Reclamation;

(B) the United States Fish and Wildlife Service;

(C) the National Marine Fisheries Service;

(D) the Corps of Engineers;

(E) the Environmental Protection Agency; and

(F) the Department of Agriculture.

(4) Duties and responsibilities.—The members of the Committee shall establish the duties and responsibilities of the Committee, including—

(A) facilitating communication and collaboration among Federal agencies to support and advance any projects described in subsection (b)(3)(B) for which an eligible entity or qualified partner requests the assistance of the Committee;

(B) ensuring the effective coordination among relevant Federal agencies and departments to ensure accelerated implementation of any projects described in subsection (b)(3)(B) for which an eligible entity or qualified partner requests the assistance of the Committee; and

(C) making policy and budgetary recommendations, if determined to be appropriate by the Committee, to support the implementation of projects described in subsection (b)(3)(B).

(d) Authorization of Appropriations.—There are authorized to be appropriated to the Secretary—

(1) $20,000,000 to carry out subsection (b)(2)(C) for the period of fiscal years 2020 and 2021; and

(2) $120,000,000 to carry out this section for the period of fiscal years 2022 through 2024.

(e) Applicable Law.—Nothing in this section shall be interpreted or implemented in a manner that—

(1) preempts or modifies any obligation of the United States under Federal law to act in accordance with applicable State law, including applicable State water law; or

(2) affects or modifies any obligation under Federal environmental law.

SEC. 302. REAUTHORIZATION OF COOPERATIVE WATERSHED MANAGEMENT PROGRAM.

Section 6002(g)(4) of the Omnibus Public Land Management Act of 2009 (16 U.S.C. 1015a(g)(4)) is amended by striking “2020” and inserting “2031”.

TITLE IV—MISCELLANEOUS

SEC. 401. OFFSET.

(a) In General.—Section 4011 of the Water Infrastructure Improvements for the Nation Act (Public Law 114–322; 130 Stat. 1878) is amended—

(1) by striking the section heading and inserting the following: “water storage enhancement program”;

(2) by striking subsections (a), (b), (c), (d), and (f);

(3) in subsection (e)—

(A) by redesignating paragraphs (1) through (4) as subsections (a) through (d), respectively, and indenting appropriately; and

(B) by striking the subsection designation and heading;

(4) in subsection (a) (as so redesignated)—

(A) by striking “Except as provided in subsection (d)(2),”;

(B) by inserting “(as in effect on the day before the effective date of the amendments made by section 401(a) of the Drought Resiliency and Water Supply Infrastructure Act)” after “under this section”; and

(C) by striking “under paragraph (2)” and inserting “under subsection (b)”;

(5) in subsection (b) (as so redesignated)—

(A) in the first sentence—

(i) by striking “under paragraph (1)” and inserting “under subsection (a)”; and

(ii) by inserting “(referred to in this section as the ‘Account’)” after “the ‘Reclamation Storage Account’”; and

(B) in the second and third sentences, by striking “Storage Account” each place it appears and inserting “Account”;

(6) in subsection (c) (as so redesignated), by striking “under paragraph (2)” and inserting “under subsection (b)”; and

(7) in subsection (d) (as so redesignated)—

(A) in the matter preceding subparagraph (A), by striking “this subsection” and inserting “this section”; and

(B) by redesignating subparagraphs (A) and (B) as paragraphs (1) and (2), respectively, and indenting appropriately.

(b) Effective Date.—The amendments made by subsection (a) take effect on December 16, 2021.

(c) Termination Date.—Section 4013(1) of the Water Infrastructure Improvements for the Nation Act (43 U.S.C. 390b note; Public Law 114–322; 130 Stat. 1883) is amended—

(1) by striking “section 4004” and inserting “sections 4004 and 4011”; and

(2) by striking “its enactment” and inserting “enactment of this Act”.

SEC. 402. DEAUTHORIZATION OF CERTAIN WATER RECYCLING PROJECTS.

(a) Purpose; Definition.—

(1) Purpose.—The purpose of this section is to establish an efficient and transparent 1-time process for deauthorizing Bureau of Reclamation title XVI projects that have failed—

(A) to receive a minimum level of Federal investment; or

(B) to initiate construction.

(2) Definition of title xvi project.—In this section, the term “title XVI project” means a project authorized by title XVI of Public Law 102–575 (43 U.S.C. 390h et seq.).

(b) Backlog List.—Not later than 180 days after the date of enactment of this Act, the Secretary shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Natural Resources of the House of Representatives, and make available on a publicly accessible internet website in a manner that is downloadable, searchable, and sortable, a list of—

(1) title XVI projects—

(A) that are authorized; and

(B) for which, during the fiscal year in which this Act is enacted and each of the preceding 10 fiscal years—

(i) no application for Federal funding has been received; and

(ii) no construction has occurred; and

(2) for each title XVI project listed under paragraph (1)—

(A) the date of authorization of the title XVI project, including any subsequent modifications to the original authorization;

(B) a brief description of the title XVI project; and

(C) any amounts appropriated for the title XVI project that remain unobligated.

(c) Interim Deauthorization List.—

(1) In general.—The Secretary shall develop and make publicly available an interim deauthorization list that identifies each title XVI project described in subsection (b)(1).

(2) Public comment and consultation.—

(A) In general.—The Secretary shall solicit and accept, for a period of not less than 90 days, comments relating to the interim deauthorization list under paragraph (1) from—

(i) the public; and

(ii) the Governor of each applicable State.

(B) Project sponsors.—As part of the public comment period under subparagraph (A), the Secretary shall provide to title XVI project sponsors the opportunity to provide to the Secretary a notice of the intent to initiate construction of the title XVI project by not later than the date that is 2 years after the date of publication of the preliminary final deauthorization list under subsection (d).

(3) Submission to congress; publication.—Not later than 90 days after the date of submission of the backlog list under subsection (b), the Secretary shall—

(A) submit the interim deauthorization list under paragraph (1) to the Committee on Energy and Natural Resources of the Senate and the Committee on Natural Resources of the House of Representatives; and

(B) publish the interim deauthorization list in the Federal Register.

(d) Preliminary Final Deauthorization List.—

(1) In general.—The Secretary shall develop a preliminary final deauthorization list that includes each title XVI project identified pursuant to paragraph (2).

(2) Identification of projects.—

(A) Exclusions.—The Secretary may identify a title XVI project described in subsection (b)(1) for exclusion from the preliminary final deauthorization list if the Secretary determines, on a case-by-case basis following receipt of public comments, that the title XVI project is critical for interests of the United States, based on the practicable impact of the title XVI project on—

(i) public health and safety;

(ii) the national economy; or

(iii) the environment.

(B) Subject to deauthorization designation.—Any title XVI project the sponsor of which has provided to the Secretary a notice of the intent to initiate construction by not later than 2 years after the date of publication of the preliminary final deauthorization list under this subsection shall be designated on that list as “subject to deauthorization”.

(C) Appendix.—The Secretary shall include as part of the preliminary final deauthorization list under this subsection an appendix that—

(i) identifies each title XVI project included on the interim deauthorization list under subsection (c) that is not included on the preliminary final deauthorization list; and

(ii) describes the reasons why each title XVI project identified under clause (i) is not included on the preliminary final deauthorization list.

(3) Submission to congress; publication.—Not later than 120 days after the date of expiration of the public comment period under subsection (c)(2)(A), the Secretary shall—

(A) submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Natural Resources of the House of Representatives the preliminary final deauthorization list and the appendix required under this subsection; and

(B) publish the preliminary final deauthorization list and appendix in the Federal Register.

(e) Deauthorization; Congressional Review.—Effective beginning on the date that is 180 days after the date of submission to Congress of the preliminary final deauthorization list under subsection (d)(3)(A), each title XVI project included on that list is deauthorized, unless—

(1) the title XVI project is designated as “subject to deauthorization” pursuant to subsection (d)(2)(B); or

(2) Congress has enacted a joint resolution disapproving the preliminary final deauthorization list.

(f) Updated Final Deauthorization List.—

(1) Publication.—Not later than the date that is 2 years after the date of publication of the preliminary final deauthorization list under subsection (d)(3)(B), the Secretary shall publish an updated final deauthorization list.

(2) Projects subject to deauthorization.—On the updated final deauthorization list under this subsection, the Secretary shall describe any title XVI project designated as “subject to deauthorization” on the preliminary final deauthorization list pursuant to subsection (d)(2)(B) as—

(A) authorized, if the Secretary has received evidence that the sponsor of the title XVI project has substantially initiated construction on the title XVI project; or

(B) deauthorized, if the Secretary has not received the evidence described in subparagraph (A).

(3) Deauthorization.—Any project described as deauthorized pursuant to paragraph (2)(B) shall be deauthorized on the date that is 180 days after the date of submission of the updated final deauthorization list under paragraph (1), unless Congress has enacted a joint resolution disapproving that list.

(g) Treatment of Project Modifications.—For purposes of this section, if a title XVI project has been modified by an Act of Congress, the date of authorization of the title XVI project shall be considered to be the date of the most recent modification.

SEC. 403. SAVINGS CLAUSE.

Nothing in this Act or an amendment made by this Act shall be interpreted or implemented in a manner that—

(1) preempts or modifies any obligation of the United States or an eligible entity under Federal law to act in accordance with applicable State law, including applicable State water law;

(2) affects or modifies any obligation under Federal environmental law; or

(3) [interferes with any obligation of a State under the Rio Grande Compact approved by Congress under the Act of May 31, 1939 (53 Stat. 785, chapter 155), or any litigation relating to the Rio Grande Compact.] [Client Note: Not sure if this is needed, but added from S. 2718 due to the adoption of the transboundary aquifer assessment provision.]