

1838

1 **TITLE IX—WESTERN WATER**
2 **INFRASTRUCTURE**

3 **SEC. 40901. AUTHORIZATIONS OF APPROPRIATIONS.**

4 There are authorized to be appropriated to the Sec-
5 retary of the Interior, acting through the Commissioner
6 of Reclamation (referred to in this title as the “Sec-
7 retary”), for the period of fiscal years 2022 through
8 2026—

9 (1) \$1,150,000,000 for water storage, ground-
10 water storage, and conveyance projects in accord-
11 ance with section 40902, of which \$100,000,000
12 shall be made available to provide grants to plan and
13 construct small surface water and groundwater stor-
14 age projects in accordance with section 40903;

15 (2) \$3,200,000,000 for the Aging Infrastruc-
16 ture Account established by subsection (d)(1) of sec-
17 tion 9603 of the Omnibus Public Land Management
18 Act of 2009 (43 U.S.C. 510b), to be made available
19 for activities in accordance with that subsection, in-
20 cluding major rehabilitation and replacement activi-
21 ties, as identified in the Asset Management Report
22 of the Bureau of Reclamation dated April 2021, of
23 which—

24 (A) \$100,000,000 shall be made available
25 for Bureau of Reclamation reserved or trans-

1 tion Wastewater and Groundwater Study
2 and Facilities Act (43 U.S.C. 390h(f)),
3 with funding under this subparagraph to
4 be provided in accordance with that sec-
5 tion, notwithstanding section 4013 of the
6 Water Infrastructure Improvements for the
7 Nation Act (43 U.S.C. 390b note; Public
8 Law 114–322), except that section
9 1602(g)(2) of the Reclamation Wastewater
10 and Groundwater Study and Facilities Act
11 (43 U.S.C. 390h(g)(2)) shall not apply to
12 amounts made available under this sub-
13 paragraph; and

14 (B) \$450,000,000 shall be made available
15 for large-scale water recycling and reuse
16 projects in accordance with section 40905;

17 (5) \$250,000,000 for water desalination
18 projects and studies authorized in accordance with
19 the Water Desalination Act of 1996 (42 U.S.C.
20 10301 note; Public Law 104–298) that are—

21 (A) authorized or approved for construc-
22 tion funding by an Act of Congress before July
23 1, 2021; or

24 (B) selected for funding under the pro-
25 gram authorized pursuant to section 4(a) of the

1 Water Desalination Act of 1996 (42 U.S.C.
2 10301 note; Public Law 104–298), with fund-
3 ing to be made available under this paragraph
4 in accordance with that subsection, notwith-
5 standing section 4013 of the Water Infrastruc-
6 ture Improvements for the Nation Act (43
7 U.S.C. 390b note; Public Law 114–322), except
8 that paragraph (2)(F) of section 4(a) of the
9 Water Desalination Act of 1996 (42 U.S.C.
10 10301 note; Public Law 104–298) (as redesign-
11 nated by section 40908) shall not apply to
12 amounts made available under this paragraph;
13 (6) \$500,000,000 for the safety of dams pro-
14 gram, in accordance with the Reclamation Safety of
15 Dams Act of 1978 (43 U.S.C. 506 et seq.);
16 (7) \$400,000,000 for WaterSMART grants in
17 accordance with section 9504 of the Omnibus Public
18 Land Management Act of 2009 (42 U.S.C. 10364),
19 of which \$100,000,000 shall be made available for
20 projects that would improve the condition of a nat-
21 ural feature or nature-based feature (as those terms
22 are defined in section 9502 of the Omnibus Public
23 Land Management Act of 2009 (42 U.S.C. 10362));
24 (8) subject to section 40906, \$300,000,000 for
25 implementing the Colorado River Basin Drought

1 Contingency Plan, consistent with the obligations of
2 the Secretary under the Colorado River Drought
3 Contingency Plan Authorization Act (Public Law
4 116–14; 133 Stat. 850) and related agreements, of
5 which \$50,000,000 shall be made available for use
6 in accordance with the Drought Contingency Plan
7 for the Upper Colorado River Basin;

8 (9) \$100,000,000 to provide financial assistance
9 for watershed management projects in accordance
10 with subtitle A of title VI of the Omnibus Public
11 Land Management Act of 2009 (16 U.S.C. 1015 et
12 seq.);

13 (10) \$250,000,000 for design, study, and con-
14 struction of aquatic ecosystem restoration and pro-
15 tection projects in accordance with section 1109 of
16 division FF of the Consolidated Appropriations Act,
17 2021 (Public Law 116–260);

18 (11) \$100,000,000 for multi-benefit projects to
19 improve watershed health in accordance with section
20 40907; and

21 (12) \$50,000,000 for endangered species recov-
22 ery and conservation programs in the Colorado River
23 Basin in accordance with—

24 (A) Public Law 106–392 (114 Stat. 1602);

1 (B) the Grand Canyon Protection Act of
2 1992 (Public Law 102–575; 106 Stat. 4669);
3 and

4 (C) subtitle E of title IX of the Omnibus
5 Public Land Management Act of 2009 (Public
6 Law 111–11; 123 Stat. 1327).

7 **SEC. 40902. WATER STORAGE, GROUNDWATER STORAGE,**
8 **AND CONVEYANCE PROJECTS.**

9 (a) **ELIGIBILITY FOR FUNDING.—**

10 (1) **FEASIBILITY STUDIES.—**

11 (A) **IN GENERAL.—**A feasibility study shall
12 only be eligible for funding under section
13 40901(1) if—

14 (i) the feasibility study has been au-
15 thorized by an Act of Congress before the
16 date of enactment of this Act;

17 (ii) Congress has approved funding
18 for the feasibility study in accordance with
19 section 4007 of the Water Infrastructure
20 Improvements for the Nation Act (43
21 U.S.C. 390b note; Public Law 114–322)
22 before the date of enactment of this Act;
23 or

24 (iii) the feasibility study is authorized
25 under subparagraph (B).

1 (B) FEASIBILITY STUDY AUTHORIZA-
2 TIONS.—The Secretary may carry out feasibility
3 studies for the following projects:

4 (i) The Verde Reservoirs Sediment
5 Mitigation Project in the State of Arizona.

6 (ii) The Tualatin River Basin Project
7 in the State of Oregon.

8 (2) CONSTRUCTION.—A project shall only be el-
9 igible for construction funding under section
10 40901(1) if—

11 (A) an Act of Congress enacted before the
12 date of enactment of this Act authorizes con-
13 struction of the project;

14 (B) Congress has approved funding for
15 construction of the project in accordance with
16 section 4007 of the Water Infrastructure Im-
17 provements for the Nation Act (43 U.S.C. 390b
18 note; Public Law 114–322) before the date of
19 enactment of this Act, except for any project
20 for which—

21 (i) Congress did not approve the rec-
22 ommendation of the Secretary for funding
23 under subsection (h)(2) of that section for
24 at least 1 fiscal year before the date of en-
25 actment of this Act; or

1845

1 (ii) State funding for the project was
2 rescinded by the State before the date of
3 enactment of this Act; or

4 (C)(i) Congress has authorized or approved
5 funding for a feasibility study for the project in
6 accordance with clause (i) or (ii) of paragraph
7 (1)(A) (except that projects described in clauses
8 (i) and (ii) of subparagraph (B) shall not be eli-
9 gible); and

10 (ii) on completion of the feasibility study
11 for the project, the Secretary—

12 (I) finds the project to be technically
13 and financially feasible in accordance with
14 the reclamation laws;

15 (II) determines that sufficient non-
16 Federal funding is available for the non-
17 Federal cost share of the project; and

18 (III)(aa) finds the project to be in the
19 public interest; and

20 (bb) recommends the project for con-
21 struction.

22 (b) COST-SHARING REQUIREMENT.—

23 (1) IN GENERAL.—The Federal share—

1846

1 (A) for a project authorized by an Act of
2 Congress shall be determined in accordance
3 with that Act;

4 (B) for a project approved by Congress in
5 accordance with section 4007 of the Water In-
6 frastructure Improvements for the Nation Act
7 (43 U.S.C. 390b note; Public Law 114–322)
8 (including construction resulting from a feasi-
9 bility study authorized under that Act) shall be
10 as provided in that Act; and

11 (C) for a project not described in subpara-
12 graph (A) or (B)—

13 (i) in the case of a federally owned
14 project, shall not exceed 50 percent of the
15 total cost of the project; and

16 (ii) in the case of a non-Federal
17 project, shall not exceed 25 percent of the
18 total cost of the project.

19 (2) FEDERAL BENEFITS.—Before funding a
20 project under this section, the Secretary shall deter-
21 mine that, in return for the Federal investment in
22 the project, at least a proportionate share of the
23 benefits are Federal benefits.

1 (3) REIMBURSABILITY.—The reimbursability of
2 Federal funding of projects under this section shall
3 be in accordance with the reclamation laws.

4 (c) ENVIRONMENTAL LAWS.—In providing funding
5 for a project under this section, the Secretary shall comply
6 with all applicable environmental laws, including the Na-
7 tional Environmental Policy Act of 1969 (42 U.S.C. 4321
8 et seq.).

9 **SEC. 40903. SMALL WATER STORAGE AND GROUNDWATER**
10 **STORAGE PROJECTS.**

11 (a) ESTABLISHMENT OF A COMPETITIVE GRANT
12 PROGRAM FOR SMALL WATER STORAGE AND GROUND-
13 WATER STORAGE PROJECTS.—The Secretary shall estab-
14 lish a competitive grant program, under which the non-
15 Federal project sponsor of any project in a Reclamation
16 State, including the State of Alaska or Hawaii, determined
17 by the Secretary to be feasible under subsection (b)(2)(B)
18 shall be eligible to apply for funding for the planning, de-
19 sign, and construction of the project.

20 (b) ELIGIBILITY AND SELECTION.—

21 (1) SUBMISSION TO THE SECRETARY.—

22 (A) IN GENERAL.—A non-Federal project
23 sponsor described in subsection (a) may submit
24 to the Secretary a proposal for a project eligible

1 to receive a grant under this section in the form
2 of a completed feasibility study.

3 (B) ELIGIBLE PROJECTS.—A project shall
4 be considered eligible for consideration for a
5 grant under this section if the project—

6 (i) has water storage capacity of not
7 less than 2,000 acre-feet and not more
8 than 30,000 acre-feet; and

9 (ii)(I) increases surface water or
10 groundwater storage; or

11 (II) conveys water, directly or indi-
12 rectly, to or from surface water or ground-
13 water storage.

14 (C) GUIDELINES.—Not later than 60 days
15 after the date of enactment of this Act, the Sec-
16 retary shall issue guidelines for feasibility stud-
17 ies for small storage projects to provide suffi-
18 cient information for the formulation of the
19 studies.

20 (2) REVIEW BY THE SECRETARY.—The Sec-
21 retary shall review each feasibility study received
22 under paragraph (1)(A) for the purpose of deter-
23 mining whether—

24 (A) the feasibility study, and the process
25 under which the study was developed, each

1 comply with Federal laws (including regula-
2 tions) applicable to feasibility studies of small
3 storage projects;

4 (B) the project is technically and finan-
5 cially feasible, in accordance with—

6 (i) the guidelines developed under
7 paragraph (1)(C); and

8 (ii) the reclamation laws; and

9 (C) the project provides a Federal benefit,
10 as determined by the Secretary.

11 (3) SUBMISSION TO CONGRESS.—Not later than
12 180 days after the date of receipt of a feasibility
13 study received under paragraph (1)(A), the Sec-
14 retary shall submit to the Committee on Energy and
15 Natural Resources of the Senate and the Committee
16 on Natural Resources of the House of Representa-
17 tives a report that describes—

18 (A) the results of the review of the study
19 by the Secretary under paragraph (2), including
20 a determination of whether the project is fea-
21 sible and provides a Federal benefit;

22 (B) any recommendations that the Sec-
23 retary may have concerning the plan or design
24 of the project; and

1 (C) any conditions the Secretary may re-
2 quire for construction of the project.

3 (4) ELIGIBILITY FOR FUNDING.—

4 (A) IN GENERAL.—The non-Federal
5 project sponsor of any project determined by
6 the Secretary to be feasible under paragraph
7 (3)(A) shall be eligible to apply to the Secretary
8 for a grant to cover the Federal share of the
9 costs of planning, designing, and constructing
10 the project pursuant to subsection (c).

11 (B) REQUIRED DETERMINATION.—Prior to
12 awarding grants to a small storage project, the
13 Secretary shall determine whether there is suffi-
14 cient non-Federal funding available to complete
15 the project.

16 (5) PRIORITY.—In awarding grants to projects
17 under this section, the Secretary shall give priority
18 to projects that meet 1 or more of the following cri-
19 teria:

20 (A) Projects that are likely to provide a
21 more reliable water supply for States, Indian
22 Tribes, and local governments, including sub-
23 divisions of those entities.

24 (B) Projects that are likely to increase
25 water management flexibility and reduce im-

1 pacts on environmental resources from projects
2 operated by Federal and State agencies.

3 (C) Projects that are regional in nature.

4 (D) Projects with multiple stakeholders.

5 (E) Projects that provide multiple benefits,
6 including water supply reliability, ecosystem
7 benefits, groundwater management and en-
8 hancements, and water quality improvements.

9 (c) CEILING ON FEDERAL SHARE.—The Federal
10 share of the costs of each of the individual projects se-
11 lected under this section shall not exceed the lesser of—

12 (1) 25 percent of the total project cost; or

13 (2) \$30,000,000.

14 (d) ENVIRONMENTAL LAWS.—In providing funding
15 for a grant for a project under this section, the Secretary
16 shall comply with all applicable environmental laws, in-
17 cluding the National Environmental Policy Act of 1969
18 (42 U.S.C. 4321 et seq.).

19 (e) TERMINATION OF AUTHORITY.—The authority to
20 carry out this section terminates on the date that is 5
21 years after the date of enactment of this Act.

22 **SEC. 40904. CRITICAL MAINTENANCE AND REPAIR.**

23 (a) CRITICAL FAILURE AT A RESERVED OR TRANS-
24 FERRED WORK.—

1 (1) IN GENERAL.—A reserved or transferred
2 work shall only be eligible for funding under section
3 40901(2)(A) if—

4 (A) construction of the reserved or trans-
5 ferred work began on or before January 1,
6 1915; and

7 (B) a unit of the reserved or transferred
8 work suffered a critical failure in Bureau of
9 Reclamation infrastructure during the 2-year
10 period ending on the date of enactment of this
11 Act that resulted in the failure to deliver water
12 to project beneficiaries.

13 (2) USE OF FUNDS.—Rehabilitation, repair,
14 and replacement activities for a transferred or re-
15 served work using amounts made available under
16 section 40901(2)(A) may be used for the entire
17 transferred or reserved work, regardless of whether
18 the critical failure was limited to a single project of
19 the overall work.

20 (3) NONREIMBURSABLE FUNDS.—Notwith-
21 standing section 9603(b) of the Omnibus Public
22 Land Management Act of 2009 (43 U.S.C.
23 510b(b)), amounts made available to a reserved or
24 transferred work under section 40901(2)(A) shall be
25 nonreimbursable to the United States.

1 (b) CAREY ACT PROJECTS.—The Secretary shall use
2 amounts made available under section 40901(2)(B) to
3 fund the rehabilitation, reconstruction, or replacement of
4 a dam—

5 (1) the construction of which began on or after
6 January 1, 1905;

7 (2) that was developed pursuant to section 4 of
8 the Act of August 18, 1894 (commonly known as
9 the “Carey Act”) (43 U.S.C. 641; 28 Stat. 422,
10 chapter 301);

11 (3) that the Governor of the State in which the
12 dam is located has—

13 (A) determined the dam has reached its
14 useful life;

15 (B) determined the dam poses significant
16 health and safety concerns; and

17 (C) requested Federal support; and

18 (4) for which the estimated rehabilitation, re-
19 construction, or replacement, engineering, and per-
20 mitting costs would exceed \$50,000,000.

21 **SEC. 40905. COMPETITIVE GRANT PROGRAM FOR LARGE-**
22 **SCALE WATER RECYCLING AND REUSE PRO-**
23 **GRAM.**

24 (a) DEFINITIONS.—In this section:

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

3 (A) a State, Indian Tribe, municipality, ir-
4 rigation district, water district, wastewater dis-
5 trict, or other organization with water or power
6 delivery authority;

7 (B) a State, regional, or local authority,
8 the members of which include 1 or more organi-
9 zations with water or power delivery authority;
10 or

11 (C) an agency established under State law
12 for the joint exercise of powers or a combina-
13 tion of entities described in subparagraphs (A)
14 and (B).

15 (2) ELIGIBLE PROJECT.—The term “eligible
16 project” means a project described in subsection (c).

17 (3) PROGRAM.—The term “program” means
18 the grant program established under subsection (b).

19 (4) RECLAMATION STATE.—The term “Rec-
20 lamation State” means a State or territory described
21 in the first section of the Act of June 17, 1902 (43
22 U.S.C. 391; 32 Stat. 388, chapter 1093).

23 (b) ESTABLISHMENT.—The Secretary shall establish
24 a program to provide grants to eligible entities on a com-
25 petitive basis for the planning, design, and construction

1 of large-scale water recycling and reuse projects that pro-
2 vide substantial water supply and other benefits to the
3 Reclamation States in accordance with this section.

4 (c) ELIGIBLE PROJECT.—A project shall be eligible
5 for a grant under this section if the project—

6 (1) reclaims and reuses—

7 (A) municipal, industrial, domestic, or ag-
8 ricultural wastewater; or

9 (B) impaired groundwater or surface
10 water;

11 (2) has a total estimated cost of \$500,000,000
12 or more;

13 (3) is located in a Reclamation State;

14 (4) is constructed, operated, and maintained by
15 an eligible entity; and

16 (5) provides a Federal benefit in accordance
17 with the reclamation laws.

18 (d) PROJECT EVALUATION.—The Secretary may pro-
19 vide a grant to an eligible project under the program if—

20 (1) the eligible entity determines through the
21 preparation of a feasibility study or equivalent
22 study, and the Secretary concurs, that the eligible
23 project—

24 (A) is technically and financially feasible;

1 (B) provides a Federal benefit in accord-
2 ance with the reclamation laws; and

3 (C) is consistent with applicable Federal
4 and State laws;

5 (2) the eligible entity has sufficient non-Federal
6 funding available to complete the eligible project, as
7 determined by the Secretary;

8 (3) the eligible entity is financially solvent, as
9 determined by the Secretary; and

10 (4) not later than 30 days after the date on
11 which the Secretary concurs with the determinations
12 under paragraph (1) with respect to the eligible
13 project, the Secretary submits to Congress written
14 notice of the determinations.

15 (e) PRIORITY.—In providing grants to eligible
16 projects under the program, the Secretary shall give pri-
17 ority to eligible projects that meet 1 or more of the fol-
18 lowing criteria:

19 (1) The eligible project provides multiple bene-
20 fits, including—

21 (A) water supply reliability benefits for
22 drought-stricken States and communities;

23 (B) fish and wildlife benefits; and

24 (C) water quality improvements.

1 (2) The eligible project is likely to reduce im-
2 pacts on environmental resources from water
3 projects owned or operated by Federal and State
4 agencies, including through measurable reductions in
5 water diversions from imperiled ecosystems.

6 (3) The eligible project would advance water
7 management plans across a multi-State area, such
8 as drought contingency plans in the Colorado River
9 Basin.

10 (4) The eligible project is regional in nature.

11 (5) The eligible project is collaboratively devel-
12 oped or supported by multiple stakeholders.

13 (f) FEDERAL ASSISTANCE.—

14 (1) FEDERAL COST SHARE.—The Federal share
15 of the cost of any project provided a grant under the
16 program shall not exceed 25 percent of the total cost
17 of the eligible project.

18 (2) TOTAL DOLLAR CAP.—The Secretary shall
19 not impose a total dollar cap on Federal contribu-
20 tions for all eligible individual projects provided a
21 grant under the program.

22 (3) NONREIMBURSABLE FUNDS.—Any funds
23 provided by the Secretary to an eligible entity under
24 the program shall be considered nonreimbursable.

1 (4) FUNDING ELIGIBILITY.—An eligible project
2 shall not be considered ineligible for assistance
3 under the program because the eligible project has
4 received assistance under—

5 (A) the Reclamation Wastewater and
6 Groundwater Study and Facilities Act (43
7 U.S.C. 390h et seq.);

8 (B) section 4(a) of the Water Desalination
9 Act of 1996 (42 U.S.C. 10301 note; Public Law
10 104–298) for eligible desalination projects; or

11 (C) section 1602(e) of the Reclamation
12 Wastewater and Groundwater Study and Facili-
13 ties Act (43 U.S.C. 390h(e)).

14 (g) ENVIRONMENTAL LAWS.—In providing a grant
15 for an eligible project under the program, the Secretary
16 shall comply with all applicable environmental laws, in-
17 cluding the National Environmental Policy Act of 1969
18 (42 U.S.C. 4321 et seq.).

19 (h) GUIDANCE.—Not later than 1 year after the date
20 of enactment of this Act, the Secretary shall issue guid-
21 ance on the implementation of the program, including
22 guidelines for the preparation of feasibility studies or
23 equivalent studies by eligible entities.

24 (i) REPORTS.—

1859

1 (1) ANNUAL REPORT.—At the end of each fis-
2 cal year, the Secretary shall make available on the
3 website of the Department of the Interior an annual
4 report that lists each eligible project for which a
5 grant has been awarded under this section during
6 the fiscal year.

7 (2) COMPTROLLER GENERAL.—

8 (A) ASSESSMENT.—The Comptroller Gen-
9 eral of the United States shall conduct an as-
10 sessment of the administrative establishment,
11 solicitation, selection, and justification process
12 with respect to the funding of grants under this
13 section.

14 (B) REPORT.—Not later than 1 year after
15 the date of the initial award of grants under
16 this section, the Comptroller General shall sub-
17 mit to the Committee on Energy and Natural
18 Resources of the Senate and the Committee on
19 Natural Resources of the House of Representa-
20 tives a report that describes—

21 (i) the adequacy and effectiveness of
22 the process by which each eligible project
23 was selected, if applicable; and

1860

1 (ii) the justification and criteria used
2 for the selection of each eligible project, if
3 applicable.

4 (j) TREATMENT OF CONVEYANCE.—The Secretary
5 shall consider the planning, design, and construction of
6 a conveyance system for an eligible project to be eligible
7 for grant funding under the program.

8 (k) TERMINATION OF AUTHORITY.—The authority to
9 carry out this section terminates on the date that is 5
10 years after the date of enactment of this Act.

11 **SEC. 40906. DROUGHT CONTINGENCY PLAN FUNDING RE-**
12 **QUIREMENTS.**

13 (a) IN GENERAL.—Funds made available under sec-
14 tion 40901(8) for use in the Lower Colorado River Basin
15 may be used for projects—

16 (1) to establish or conserve recurring Colorado
17 River water that contributes to supplies in Lake
18 Mead and other Colorado River water reservoirs in
19 the Lower Colorado River Basin; or

20 (2) to improve the long-term efficiency of oper-
21 ations in the Lower Colorado River Basin.

22 (b) LIMITATION.—None of the funds made available
23 under section 40901(8) may be used for the operation of
24 the Yuma Desalting Plant.

1 (c) EFFECT.—Nothing in section 40901(8) limits ex-
2 isting or future opportunities to augment the water sup-
3 plies of the Colorado River.

4 **SEC. 40907. MULTI-BENEFIT PROJECTS TO IMPROVE WA-**
5 **TERSHEDED HEALTH.**

6 (a) DEFINITION OF ELIGIBLE APPLICANT.—In this
7 section, the term “eligible applicant” means—

8 (1) a State;

9 (2) a Tribal or local government;

10 (3) an organization with power or water deliv-
11 ery authority;

12 (4) a regional authority; or

13 (5) a nonprofit conservation organization.

14 (b) ESTABLISHMENT OF COMPETITIVE GRANT PRO-
15 GRAM.—Not later than 1 year after the date of enactment
16 of this Act, the Secretary, in consultation with the heads
17 of relevant agencies, shall establish a competitive grant
18 program under which the Secretary shall award grants to
19 eligible applicants for the design, implementation, and
20 monitoring of conservation outcomes of habitat restoration
21 projects that improve watershed health in a river basin
22 that is adversely impacted by a Bureau of Reclamation
23 water project by accomplishing 1 or more of the following:

24 (1) Ecosystem benefits.

25 (2) Restoration of native species.

1 (3) Mitigation against the impacts of climate
2 change to fish and wildlife habitats.

3 (4) Protection against invasive species.

4 (5) Restoration of aspects of the natural eco-
5 system.

6 (6) Enhancement of commercial, recreational,
7 subsistence, or Tribal ceremonial fishing.

8 (7) Enhancement of river-based recreation.

9 (c) REQUIREMENTS.—

10 (1) IN GENERAL.—In awarding a grant to an
11 eligible applicant under subsection (b), the Sec-
12 retary—

13 (A) shall give priority to an eligible appli-
14 cant that would carry out a habitat restoration
15 project that achieves more than 1 of the bene-
16 fits described in that subsection; and

17 (B) may not provide a grant to carry out
18 a habitat restoration project the purpose of
19 which is to meet existing environmental mitiga-
20 tion or compliance obligations under Federal or
21 State law.

22 (2) COMPLIANCE.—A habitat restoration
23 project awarded a grant under subsection (b) shall
24 comply with all applicable Federal and State laws.

1 (d) COST-SHARING REQUIREMENT.—The Federal
2 share of the cost of any habitat restoration project that
3 is awarded a grant under subsection (b)—

4 (1) shall not exceed 50 percent of the cost of
5 the habitat restoration project; or

6 (2) in the case of a habitat restoration project
7 that provides benefits to ecological or recreational
8 values in which the nonconsumptive water conserva-
9 tion benefit or habitat restoration benefit accounts
10 for at least 75 percent of the cost of the habitat res-
11 toration project, as determined by the Secretary,
12 shall not exceed 75 percent of the cost of the habitat
13 restoration project.

14 **SEC. 40908. ELIGIBLE DESALINATION PROJECTS.**

15 Section 4(a) of the Water Desalination Act of 1996
16 (42 U.S.C. 10301 note; Public Law 104–298) is amended
17 by redesignating the second paragraph (1) (relating to eli-
18 gible desalination projects) as paragraph (2).

19 **SEC. 40909. CLARIFICATION OF AUTHORITY TO USE**
20 **CORONAVIRUS FISCAL RECOVERY FUNDS TO**
21 **MEET A NON-FEDERAL MATCHING REQUIRE-**
22 **MENT FOR AUTHORIZED BUREAU OF REC-**
23 **LAMATION WATER PROJECTS.**

24 (a) CORONAVIRUS STATE FISCAL RECOVERY
25 FUND.—Section 602(c) of the Social Security Act (42

1 U.S.C. 802(c) is amended by adding at the end the fol-
2 lowing:

3 “(4) USE OF FUNDS TO SATISFY NON-FEDERAL
4 MATCHING REQUIREMENTS FOR AUTHORIZED BU-
5 REAU OF RECLAMATION WATER PROJECTS.—Funds
6 provided under this section for an authorized Bu-
7 reau of Reclamation project may be used for pur-
8 poses of satisfying any non-Federal matching re-
9 quirement required for the project.”.

10 (b) CORONAVIRUS LOCAL FISCAL RECOVERY
11 FUND.—Section 603(c) of the Social Security Act (42
12 U.S.C. 803(c)) is amended by adding at the end the fol-
13 lowing:

14 “(5) USE OF FUNDS TO SATISFY NON-FEDERAL
15 MATCHING, MAINTENANCE OF EFFORT, OR OTHER
16 EXPENDITURE REQUIREMENT.—Funds provided
17 under this section for an authorized Bureau of Rec-
18 lamation project may be used for purposes of satis-
19 fying any non-Federal matching requirement re-
20 quired for the project.”.

21 (c) EFFECTIVE DATE.—The amendments made by
22 this section shall take effect as if included in the enact-
23 ment of section 9901 of the American Rescue Plan Act
24 of 2021 (Public Law 117–2; 135 Stat. 223).

1865

1 **SEC. 40910. FEDERAL ASSISTANCE FOR GROUNDWATER RE-**
2 **CHARGE, AQUIFER STORAGE, AND WATER**
3 **SOURCE SUBSTITUTION PROJECTS.**

4 (a) IN GENERAL.—The Secretary, at the request of
5 and in coordination with affected Indian Tribes, States
6 (including subdivisions and departments of a State), or a
7 public agency organized pursuant to State law, may pro-
8 vide technical or financial assistance for, participate in,
9 and enter into agreements (including agreements with irri-
10 gation entities) for—

- 11 (1) groundwater recharge projects;
12 (2) aquifer storage and recovery projects; or
13 (3) water source substitution for aquifer protec-
14 tion projects.

15 (b) LIMITATION.—Nothing in this section authorizes
16 additional technical or financial assistance for, or partici-
17 pation in an agreement for, a surface water storage facility
18 to be constructed or expanded.

19 (c) REQUIREMENT.—A construction project shall
20 only be eligible for financial assistance under this section
21 if the project meets the conditions for funding under sec-
22 tion 40902(a)(2)(C)(ii).

23 (d) COST SHARING.—Cost sharing for a project fund-
24 ed under this section shall be in accordance with section
25 40902(b).

1866

1 (e) ENVIRONMENTAL LAWS.—In providing funding
2 for a project under this section, the Secretary shall comply
3 with all applicable environmental laws, including —

4 (1) the National Environmental Policy Act of
5 1969 (42 U.S.C. 4321 et seq.);

6 (2) any obligations for fish, wildlife, or water
7 quality protection in permits or licenses granted by
8 a Federal agency or a State; and

9 (3) any applicable Federal or State laws (in-
10 cluding regulations).

11 (f) AUTHORIZATION BY CONGRESS FOR MAJOR
12 PROJECT CONSTRUCTION.—A project with a total esti-
13 mated cost of \$500,000,000 or more shall only be eligible
14 for construction funding under this section if the project
15 is authorized for construction by an Act of Congress.

16 **TITLE X—AUTHORIZATION OF**
17 **APPROPRIATIONS FOR EN-**
18 **ERGY ACT OF 2020**

19 **SEC. 41001. ENERGY STORAGE DEMONSTRATION**
20 **PROJECTS.**

21 (a) ENERGY STORAGE DEMONSTRATION PROJECTS;
22 PILOT GRANT PROGRAM.—There is authorized to be ap-
23 propriated to the Secretary to carry out activities under
24 section 3201(c) of the Energy Act of 2020 (42 U.S.C.