

## HEALTHY COMMUNITIES WATER SUPPLY ACT OF 2007

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FEBRUARY 16, 2007.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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Mr. OBERSTAR, from the Committee on Transportation and Infrastructure, submitted the following

### R E P O R T

[To accompany H.R. 700]

[Including cost estimate of the Congressional Budget Office]

The Committee on Transportation and Infrastructure, to whom was referred the bill (H.R. 700) to amend the Federal Water Pollution Control Act to extend the pilot program for alternative water source projects, having considered the same report favorably thereon without amendment and recommend that the bill do pass.

#### PURPOSE OF THE LEGISLATION

H.R. 700 amends section 220 of the Federal Water Pollution Control Act (Clean Water Act) to reauthorize appropriations for the Environmental Protection Agency (EPA) to provide grants for alternative water source projects to meet critical water supply needs.

#### BACKGROUND AND NEED FOR LEGISLATION

In recent years, there has been increasing interest by communities across the nation and by Congress in ensuring the availability of water sources to meet future water supply needs. Growth in population and increasing environmental awareness are causing many communities to explore alternative water supplies through reclamation, reuse, and conservation.

While Clean Water Act construction grants (before Fiscal Year 1991) and State Revolving Loan Funds (since Fiscal Year 1989) have been available for such activities, most expenditures to date have been for more traditional wastewater projects, and not for enhancing water supplies through wastewater reuse and water recycling.

To provide Federal assistance, in 2000, Congress amended the Clean Water Act to add section 220 (Title VI of P.L. 106–457). Section 220 authorized appropriations of \$75 million for fiscal years 2002 through 2004 for EPA to make grants for alternative water source projects to entities with authority under State law to develop or provide water for municipal and industrial or agricultural uses in areas that are experiencing critical water supply needs, with a non-Federal cost share of 50 percent. This authorization has expired. Reauthorization of section 220 of the Clean Water Act provides an authority to help meet some critical water supply needs around the nation.

#### SUMMARY OF THE LEGISLATION

H.R. 700, as reported, amends section 220 of the Clean Water Act to authorize a total of \$125 million for EPA grants for alternative water source projects. There is no fiscal year limitation on the authorization of appropriations.

#### LEGISLATIVE HISTORY AND COMMITTEE CONSIDERATION

On March 16, 2005, the Subcommittee on Water Resources and Environment of the Committee on Transportation and Infrastructure held a hearing on Member project requests for the Water Resources Development Act of 2005. Among the Member project requests discussed at the hearing and received by the Subcommittee were requests for water reuse projects to augment water supplies, although single purpose municipal and industrial water supply projects are not a primary mission of the U.S. Army Corps of Engineers and are cost-shared as 100 percent reimbursable.

In addition, in the 108th Congress, the Subcommittee on Water Resources and Environment held hearings on issues relating to water scarcity and demand on May 22 and June 4, 2003.

In the 109th Congress, H.R. 1359 was introduced on March 17, 2005, and referred to the Committee on Transportation and Infrastructure. The Committee on Transportation and Infrastructure met in open session on May 18, 2005, to consider H.R. 1359 and other legislation. The Committee adopted by voice vote an amendment in the nature of a substitute. The amendment removed the fiscal year limitation on the authorization of appropriations, leaving the total amount authorized at \$125 million. The Committee ordered the bill, as amended, reported to the House by voice vote. No further action was taken on this bill.

Representatives McNerney and Tauscher introduced H.R. 700 on January 29, 2007. This legislation was modeled after H.R. 1359, as approved by the Committee on May 18, 2005, and authorized appropriations of \$125 million for EPA to provide grants for alternative water source projects to meet critical water supply needs.

On January 31, 2007, the Subcommittee on Water Resources and Environment considered H.R. 700 and recommended the bill favorably to the Committee on Transportation and Infrastructure by voice vote. On February 7, 2007, the Committee on Transportation and Infrastructure met in open session, and ordered the bill reported to the House by voice vote.

## RECORD VOTES

Clause 3(b) of rule XIII of the House of Representatives requires each committee report to include the total number of votes cast for and against on each record vote on a motion to report and on any amendment offered to the measure or matter, and the names of those members voting for and against. There were no recorded votes taken in connection with ordering H.R. 700 reported. A motion to order H.R. 700 reported to the House was agreed to by voice vote with a quorum present.

## COMMITTEE OVERSIGHT FINDINGS

With respect to the requirements of clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in this report.

## COST OF LEGISLATION

Clause 3(c)(2) of rule XIII of the Rules of the House of Representatives does not apply where a cost estimate and comparison prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974 has been timely submitted prior to the filing of the report and is included in the report. Such a cost estimate is included in this report.

## COMPLIANCE WITH HOUSE RULE XIII

1. With respect to the requirement of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, and 308(a) of the Congressional Budget Act of 1974, the Committee references the report of the Congressional Budget Office included below.

2. With respect to the requirement of clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the performance goals and objective of this legislation are to meet critical water supply needs around the Nation by developing or providing additional water for municipal, industrial, or agricultural uses through alternative water source projects.

3. With respect to the requirement of clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for H.R. 700 from the Director of the Congressional Budget Office.

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
*Washington, DC, February 12, 2007.*

Hon. JAMES L. OBERSTAR,  
*Chairman, Committee on Transportation and Infrastructure, House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 700, the Healthy Communities Water Supply Act of 2007.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Susanne S. Mehlman

(for federal costs), and Lisa Ramirez-Branum (for the state and local impact).

Sincerely,

PETER R. ORSZAG,  
*Director.*

Enclosure.

*H.R. 700—Healthy Communities Water Supply Act of 2007*

Summary: CBO estimates that implementing this legislation would cost \$86 million over the 2007–2012 period, assuming appropriation of the authorized amount. H.R. 700 would authorize an Environmental Protection Agency program to provide grants to states, interstate and intrastate water resource development agencies, local government agencies, private utilities, and nonprofit entities to develop projects that would enhance water supplies by reusing or treating wastewater. This legislation would authorize the appropriation of \$125 million for a pilot program without any fiscal-year limitation. Enacting the bill would not affect direct spending or revenues.

H.R. 700 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

Estimated cost to the Federal Government: For this estimate, CBO assumes that the bill will be enacted in fiscal year 2007 and that the amount authorized will be appropriated over the 2007–2011 period. Estimated outlays are based on historical spending patterns of similar grant programs. The estimated budgetary impact of H.R. 700 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By fiscal year, in millions of dollars—					
	2007	2008	2009	2010	2011	2012
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Estimated Authorization Level .....	25	25	25	25	25	0
Estimated Outlays .....	1	5	13	20	24	23

Note: The pilot program that would be authorized by this bill has not been previously funded.

Intergovernmental and private-sector impact: H.R. 700 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. Enacting this bill would benefit states receiving grant funding. Those grants require a nonfederal cost-share of at least 50 percent. Because that requirement would be a condition for receiving federal assistance, it would not be a mandate under UMRA.

Estimate prepared by: Federal Costs: Susanne S. Mehlman; Impact on State, Local, and Tribal Governments: Lisa Ramirez-Branum; Impact on the Private Sector: Amy Petz.

Estimate approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

COMPLIANCE WITH HOUSE RULE XXI

Pursuant to clause 9 of rule XXI of the Rules of the House of Representatives, H.R. 700, the Healthy Communities Water Supply Act of 2007, does not contain any congressional earmarks, limited

tax benefits, or limited tariff benefits as defined in clause 9(d), 9(e), or 9(f) of rule XXI of the Rules of the House of Representatives.

#### CONSTITUTIONAL AUTHORITY STATEMENT

Pursuant to clause (3)(d)(1) of rule XIII of the Rules of the House of Representatives, committee reports on a bill or joint resolution of a public character shall include a statement citing the specific powers granted to the Congress in the Constitution to enact the measure. The Committee on Transportation and Infrastructure finds that Congress has the authority to enact this measure pursuant to its powers granted under article I, section 8 of the Constitution.

#### FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act (Public Law 104–4).

#### PREEMPTION CLARIFICATION

Section 423 of the Congressional Budget Act of 1974 requires the report of any Committee on a bill or joint resolution to include a statement on the extent to which the bill or joint resolution is intended to preempt state, local, or tribal law. The Committee states that H.R. 700 does not preempt any state, local, or tribal law.

#### ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act are created by this legislation.

#### APPLICABILITY TO THE LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act (Public Law 104–1).

#### CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

#### **FEDERAL WATER POLLUTION CONTROL ACT**

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#### **TITLE II—GRANTS FOR CONSTRUCTION OF TREATMENT WORKS**

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**SEC. 220. PILOT PROGRAM FOR ALTERNATIVE WATER SOURCE PROJECTS.**

(a) \* \* \*

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(j) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section a total of **[\$75,000,000 for fiscal years 2002 through 2004]** *\$125,000,000*. Such sums shall remain available until expended.

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