

106TH CONGRESS  
1ST SESSION

# S. 1699

To amend the Federal Water Pollution Control Act to authorize appropriations for State water pollution control revolving funds, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

OCTOBER 6, 1999

Mr. VOINOVICH introduced the following bill; which was read twice and referred to the Committee on Environment and Public Works

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## A BILL

To amend the Federal Water Pollution Control Act to authorize appropriations for State water pollution control revolving funds, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Clean Water Infra-  
5 structure Financing Act of 1999”.

6 **SEC. 2. GENERAL AUTHORITY FOR CAPITALIZATION**  
7 **GRANTS.**

8 Section 601(a) of the Federal Water Pollution Con-  
9 trol Act (33 U.S.C. 1381(a)) is amended by striking “(1)

1 for construction” and all that follows through the period  
2 at the end and inserting “to accomplish the purposes of  
3 this Act.”.

4 **SEC. 3. CAPITALIZATION GRANTS AGREEMENTS.**

5 (a) REQUIREMENTS FOR CONSTRUCTION OF TREAT-  
6 MENT WORKS.—Section 602(b)(6) of the Federal Water  
7 Pollution Control Act (33 U.S.C. 1382(b)(6)) is  
8 amended—

9 (1) by striking “before fiscal year 1995”; and  
10 (2) by striking “201(b)” and all that follows  
11 through “218,” and inserting “211,”.

12 (b) GUIDANCE FOR SMALL SYSTEMS.—Section 602  
13 of the Federal Water Pollution Control Act (33 U.S.C.  
14 1382) is amended by adding at the end the following:

15 “(c) GUIDANCE FOR SMALL SYSTEMS.—

16 “(1) SIMPLIFIED PROCEDURES.—Not later than  
17 1 year after the date of enactment of this sub-  
18 section, the Administrator shall assist the States in  
19 establishing simplified procedures for small systems  
20 to obtain assistance under this title.

21 “(2) PUBLICATION OF MANUAL.—Not later  
22 than 1 year after the date of enactment of this sub-  
23 section, and after providing notice and opportunity  
24 for public comment, the Administrator shall publish  
25 a manual to assist small systems in obtaining assist-

1       ance under this title and publish in the Federal Reg-  
2       ister notice of the availability of the manual.

3           “(3) DEFINITION OF SMALL SYSTEM.—In this  
4       title, the term ‘small system’ means a system for  
5       which a municipality or intermunicipal, interstate, or  
6       State agency seeks assistance under this title and  
7       that serves a population of 20,000 or fewer inhab-  
8       itants.”.

9       **SEC. 4. WATER POLLUTION CONTROL REVOLVING FUNDS.**

10       (a) ACTIVITIES ELIGIBLE FOR ASSISTANCE.—Sec-  
11       tion 603 of the Federal Water Pollution Control Act (33  
12       U.S.C. 1383) is amended by striking subsection (c) and  
13       inserting the following:

14       “(c) ACTIVITIES ELIGIBLE FOR ASSISTANCE.—

15           “(1) IN GENERAL.—The water pollution control  
16       revolving fund of a State shall be used only for pro-  
17       viding financial assistance for activities that have, as  
18       a principal benefit, the improvement or protection of  
19       the water quality of navigable waters to a munici-  
20       pality, intermunicipal, interstate, or State agency, or  
21       other person, including activities such as—

22           “(A) construction of a publicly owned  
23       treatment works;

24           “(B) implementation of lake protection  
25       programs and projects under section 314;

1           “(C) implementation of a nonpoint source  
2 management program under section 319;

3           “(D) implementation of a estuary con-  
4 servation and management plan under section  
5 320;

6           “(E) restoration or protection of publicly  
7 or privately owned riparian areas, including ac-  
8 quisition of property rights;

9           “(F) implementation of measures to im-  
10 prove the efficiency of public water use;

11           “(G) development and implementation of  
12 plans by a public recipient to prevent water pol-  
13 lution; and

14           “(H) acquisition of land necessary to meet  
15 any mitigation requirements related to con-  
16 struction of a publicly owned treatment works.

17           “(2) FUND AMOUNTS.—

18           “(A) REPAYMENTS.—The water pollution  
19 control revolving fund of a State shall be estab-  
20 lished, maintained, and credited with repay-  
21 ments.

22           “(B) AVAILABILITY.—The balance in the  
23 fund shall be available in perpetuity for pro-  
24 viding financial assistance described in para-  
25 graph (1).

1           “(C) FEES.—Fees charged by a State to  
2 recipients of the assistance may be deposited in  
3 the fund and may be used only to pay the cost  
4 of administering this title.”.

5           (b) EXTENDED REPAYMENT PERIOD FOR DISADVAN-  
6 TAGED COMMUNITIES.—Section 603(d)(1) of the Federal  
7 Water Pollution Control Act (33 U.S.C. 1383(d)(1)) is  
8 amended—

9           (1) in subparagraph (A), by inserting after “20  
10 years” the following: “or, in the case of a disadvan-  
11 taged community, the lesser of 40 years or the ex-  
12 pected life of the project to be financed with the pro-  
13 ceeds of the loan”; and

14           (2) in subparagraph (B), by striking “not later  
15 than 20 years after project completion” and insert-  
16 ing “on the expiration of the term of the loan”.

17           (c) LOAN GUARANTEES FOR INNOVATIVE TECH-  
18 NOLOGY.—Section 603(d) of the Federal Water Pollution  
19 Control Act (33 U.S.C. 1383(d)) is amended by striking  
20 paragraph (5) and inserting the following:

21           “(5) to provide loan guarantees for—

22           “(A) similar revolving funds established by  
23 municipalities or intermunicipal agencies; and

24           “(B) developing and implementing innova-  
25 tive technologies;”.

1 (d) ADMINISTRATIVE EXPENSES.—Section 603(d)(7)  
2 of the Federal Water Pollution Control Act (33 U.S.C.  
3 1383(d)(7)) is amended by inserting before the period at  
4 the end the following: “or the greater of \$400,000 per year  
5 or an amount equal to  $\frac{1}{2}$  percent per year of the current  
6 valuation of the fund, plus the amount of any fees col-  
7 lected by the State under subsection (c)(2)(C)”.

8 (e) TECHNICAL AND PLANNING ASSISTANCE FOR  
9 SMALL SYSTEMS.—Section 603(d) of the Federal Water  
10 Pollution Control Act (33 U.S.C. 1383(d)) is amended—

11 (1) in paragraph (6), by striking “and” at the  
12 end;

13 (2) in paragraph (7), by striking the period at  
14 the end and inserting “; and”; and

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

16 “(8) to provide to small systems technical and  
17 planning assistance and assistance in financial man-  
18 agement, user fee analysis, budgeting, capital im-  
19 provement planning, facility operation and mainte-  
20 nance, repair schedules, and other activities to im-  
21 prove wastewater treatment plant operations, except  
22 that the amounts used under this paragraph for a  
23 fiscal year shall not exceed 2 percent of all grants  
24 provided to the fund for the fiscal year under this  
25 title.”.

1 (f) CONSISTENCY WITH PLANNING REQUIRE-  
2 MENTS.—Section 603(f) of the Federal Water Pollution  
3 Control Act (33 U.S.C. 1383(f)) is amended by striking  
4 “is consistent” and inserting “is not inconsistent”.

5 (g) CONSTRUCTION ASSISTANCE.—Section 603 of the  
6 Federal Water Pollution Control Act (33 U.S.C. 1383) is  
7 amended by striking subsection (g) and inserting the fol-  
8 lowing:

9 “(g) CONSTRUCTION ASSISTANCE.—

10 “(1) PRIORITY LIST REQUIREMENT.—The State  
11 may provide financial assistance from the water pol-  
12 lution control revolving fund of the State for a  
13 project for construction of a publicly owned treat-  
14 ment works only if the project is on the priority list  
15 of the State under section 216, without regard to  
16 the rank of the project on the list.

17 “(2) ELIGIBILITY OF CERTAIN TREATMENT  
18 WORKS.—A treatment works shall be treated as a  
19 publicly owned treatment works for purposes of sub-  
20 section (c) if the treatment works, without regard to  
21 ownership, would be considered a publicly owned  
22 treatment works and is principally treating munic-  
23 ipal waste water or domestic sewage.”.

1 (h) INTEREST RATES.—Section 603 of the Federal  
2 Water Pollution Control Act (33 U.S.C. 1383) is amended  
3 by adding at the end the following:

4 “(i) INTEREST RATES.—

5 “(1) IN GENERAL.—In any case in which a  
6 State makes a loan under subsection (d)(1) to a dis-  
7 advantaged community, the State may charge a neg-  
8 ative interest rate of not to exceed 2 percent to re-  
9 duce the unpaid principal of the loan.

10 “(2) LIMITATION.—The aggregate amount of  
11 all negative interest rate loans the State makes for  
12 a fiscal year under paragraph (1) shall not exceed  
13 20 percent of the aggregate amount of all loans  
14 made by the State from the water pollution control  
15 revolving fund for the fiscal year.

16 “(j) DEFINITION OF DISADVANTAGED COMMU-  
17 NITY.—In this section, the term ‘disadvantaged commu-  
18 nity’ means the service area of a publicly owned treatment  
19 works with respect to which the average annual residential  
20 sewage treatment charges for a user of the treatment  
21 works meet affordability criteria established by the State  
22 in which the treatment works is located (after providing  
23 for public review and comment) in accordance with guide-  
24 lines established by the Administrator in cooperation with  
25 the States.”.

1 **SEC. 5. AUTHORIZATION OF APPROPRIATIONS.**

2 Section 607 of the Federal Water Pollution Control  
3 Act (33 U.S.C. 1387) is amended by striking “the fol-  
4 lowing sums:” and all that follows through the period at  
5 the end of paragraph (5) and inserting “\$3,000,000,000  
6 for each of fiscal years 2001 through 2005.”.

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