

REPRESENTATIVE JOSH HARDER'S DRAFT WATER BILL:

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Section 1

Reauthorization of the Rural Water Supply Act

- Clean and reliable water is essential to the health of families, industries, agriculture and the overall economy of the Central Valley. Unfortunately, due to lack of federal investment, rural communities often struggle through water supply challenges, which creates public health and safety issues that hurt rural communities.
- This section reauthorizes the Rural Water Supply Act - a program directing the Department of the Interior to work with rural communities throughout the 17 western states to assess drinking water supply needs and to identify options to address rural water needs through appraisal and feasibility studies.
- This program expired in 2016; our bill reauthorizes the program through 2026.

Section 2

Reclamation Infrastructure Finance and Innovation Act (RIFIA)

- This section authorizes an innovative financing program to fund water infrastructure projects, which are critically needed for water storage and water infrastructure projects West-wide.
- Our Reclamation Infrastructure Finance and Innovation Act (RIFIA) proposal provides water projects with access to federally-backed low-cost, long-term loans.



- Treasury-rate loans are a very cost-effective way to increase water supply.
- This section ensures small community projects, those serving communities of 25,000 or less, are eligible to receive RIFIA loans.
- This section also creates an opportunity for non-Federal sponsors of projects that are integrated with, or directly connected to, federal reclamation projects, to gain access to RIFIA loans.
- The Water Infrastructure Finance and Innovation Act (WIFIA) for the U.S. Environmental Protection Agency (EPA) projects demonstrate the demand and success of low-interest loans. RIFIA loans could reduce water districts' annual repayment cost for storage, groundwater, and other projects by as much as 10-25%.
- These benefits would be provided at little to no cost to the Treasury. This is a cost-effective approach to help accelerate investment in water infrastructure.

Section 3

Investments in Water Recycling and Reuse

- A GAO [report](#) released in 2019 shines a light on the importance of federal funding for water recycling projects to prepare the West for a changing climate and scarce water supplies. It describes the overwhelming demand for the Bureau of Reclamation's Title XVI program, the federal government's only dedicated water reuse and recycling program.
- In light of this reality, this bill extends the authorization of the Title XVI competitive grants program, and increases the authorized funding levels from \$50 million to \$500 million. The increase in funding is long overdue given the high demand for Title XVI funding – the program reached its \$50 million limit within three years of its creation.
- Title XVI competitive grants help communities prepare for the future while increasing their economic and environmental resilience.

Section 4

Feasibility Studies

- The Public Policy Institute of California released [a report](#) earlier this year highlighting the water needs of the Central Valley. The report recognizes the need to increase water storage capacity with the goal of capturing more water when it's available.
- Our bill supports much-needed surface water storage that will help expand California's water supply by directing the Department of the Interior to expedite feasibility studies for 4 important California water projects while complying with all state and federal environmental laws:
 - Sites Reservoir;
 - Del Puerto Canyon Reservoir;
 - Los Vaqueros Reservoir;
 - San Luis Reservoir.
- Combined, these four projects could expand California's water capacity by over 2 million acre-feet.

Section 5

Helping Farmers Prepare for the Sustainable Groundwater Management Act & Identifying Recharge Opportunities in the Western United States



- There is a lack of information regarding local groundwater storage and recharge opportunities in the State of California and across the Western United States.
- Additional information about groundwater storage locations can help our farmers and other stakeholders successfully implement the Sustainable Groundwater Management Act (SGMA).
- Not later than 4 years after the enactment of this Act, the Secretary will be required to complete an evaluation and report to Congress identifying groundwater storage and recharge opportunities in the Western United States.
- The report to Congress will include an assessment of potentially beneficial storage and recharge locations, based on an assessment of: hydrological benefits, water supply opportunities, infrastructure benefits related to mitigation of subsidence, sustainability benefits for critically over drafted basins, and an assessment of infrastructure needs to move excess runoff to prime recharge locations.

Section 6

X-Prize for Innovative Water Technologies

- Establishes a prize program authorizing \$2 million per year, administered by the Department of the Interior, to incentivize the development of innovative water technologies.
- The prize encourages the creation of water technologies that:
 - Improve water desalination technologies;
 - Reduce water evaporation;
 - Improve methods to treat and reuse agricultural drainage waters;
 - Reduce the loss of threatened and endangered fish due to fish predation, which can make additional water supply more reliable.
- The Secretary of the Interior will establish a board to administer the program, which will consist of a broad group of water stakeholders, including:
 - agricultural water users;
 - municipal and industrial water users;
 - the Bureau of Reclamation; and
 - the National Science Foundation.

Section 7

Creation of a Water Infrastructure Fund

- Creates a new fund, the “Water Infrastructure and Drought Solutions Fund,” that will come into effect in 2030, to fund new water infrastructure projects.
- Beginning in 2030, the Secretary of the Treasury will deposit \$300 Million in the Water Infrastructure Fund for the following purposes:
 - (1) \$100 Million per year for new surface or groundwater storage projects;
 - (2) \$100 Million for water reclamation and reuse projects;
 - (3) \$100 Million for WaterSMART program projects.

