.....

(Original Signature of Member)

119TH CONGRESS
2nd SESSION

H. R.

To direct the Administrator of the Environmental Protection Agency to establish a water affordability program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

M_____. _____ introduced the following bill; which was referred to the Committee on _____

A BILL

To direct the Administrator of the Environmental Protection Agency to establish a water affordability program, 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. WATER AFFORDABILITY PROGRAM.

(a) ESTABLISHMENT.—Subject to the availability of appropriations, the Administrator shall establish a program to annually provide to States and Indian Tribes grants to develop and carry out drinking water and wastewater services access programs to assist eligible house-

holds in improving or maintaining access to affordable drinking water and wastewater services.

(b) GRANTS TO STATES AND INDIAN TRIBES.—

(1) APPLICATIONS.—A State or Indian Tribe may apply for a grant provided under the program established under subsection (a) by submitting to the Administrator an application, which shall be in such form as the Administrator shall require and shall contain assurances that the State or Indian Tribe will establish a program that meets the requirements of subsection (c)(1).

(2) FORMULA.—The Administrator shall determine the amount of a grant provided under the program established under subsection (a) based on—

(A) the number of eligible households in the State or under the jurisdiction of the Indian Tribe; and

(B) the number of households in the State, or under the jurisdiction of the Indian Tribe, that spend more than 30 percent of the monthly income of the household on housing.

(3) LIMITATIONS.—

(A) WATER CONSERVATION AND REUSE.—Not more than 15 percent of any grant provided under the program established under sub-

section (a) may be used to support efforts to improve water conservation, reduce water usage, or reuse or recycle treated wastewater.

(B) ADMINISTRATIVE EXPENSES.—Not more than 15 percent of any grant provided under the program established under subsection (a) may be used to pay for the administrative expenses of carrying out a drinking water and wastewater services access program under subsection (c)(1).

(c) DRINKING WATER AND WASTEWATER SERVICES ACCESS PROGRAMS.—

(1) IN GENERAL.—A State or Indian Tribe that receives a grant under the program established under subsection (a) shall use such grant to carry out a program to assist eligible households in improving or maintaining access to affordable drinking water and wastewater services. Each such program shall—

(A) provide covered assistance to eligible households to be used to improve or maintain access by such households to affordable drinking water and wastewater services;

(B) provide for timely and meaningful public participation in the development and imple-

mentation of the program, including an opportunity for public comment;

(C) subject to the requirement of subparagraph (H), ensure that such covered assistance is distributed in a manner that ensures geographic distribution of such assistance in proportion to the geographic distribution of eligible households within the State or under the jurisdiction of the Indian Tribe;

(D) utilize efficient methods for determining eligibility of households, including—

(i) to the maximum extent feasible, sharing of data from other income-qualified assistance programs carried out by the State (including any local government of the State), the Indian Tribe, or the Federal Government to facilitate automatic enrollment, including programs identified in subsection (g)(3)(B)(ii), or any existing ratepayer assistance program established by the State, Indian Tribe, or owner or operator of a community water system or a publicly owned treatment works; and

(ii) allowance for self-attestation of income qualification with third-party

verification, if all other methods are determined to be infeasible;

(E) carry out outreach and provide education to eligible households to ensure that eligible households are made aware of the covered assistance provided under the drinking water and wastewater services access program;

(F) support efforts to improve water conservation, reduce water usage, or reuse or recycle treated wastewater in residences occupied by eligible households, including through installation of water efficient fixtures, leak repairs, or other household improvements to utilize reclaimed wastewater;

(G) use effective methods to promote access to covered assistance provided under the drinking water and wastewater services access program—

(i) including by allowing the owner or operator of a community water system or a publicly owned treatment works to receive funds for debt reduction and directly apply them to customer accounts, and by allowing for electronic signature; and

(ii) which may not include requiring in-person enrollment appointments or asset tests;

(H) coordinate activities carried out under the drinking water and wastewater services access program with activities carried out under similar programs administered by the Federal Government, States, local governments, and Indian Tribes, including programs related to low-income energy assistance; and

(I) if such program is carried out by a State, provide as covered assistance not less than 20 percent of such grant to eligible households that are served by small systems within such State.

(2) CONTRACTS WITH COMMUNITY WATER SYSTEMS AND PUBLICLY OWNED TREATMENT WORKS.—A State or Indian Tribe may enter into a contract or other agreement with the owner or operator of a community water system or publicly owned treatment works under which the owner or operator, in accordance with the applicable requirements of paragraph (1), carries out, with respect to the customers of such community water system or publicly owned treatment works, the elements of the drinking water

and wastewater services access program of the State or Indian Tribe that are applicable to the services provided by the owner or operator. A contract or other agreement entered into under this paragraph shall include terms or conditions that the owner or operator shall maintain—

(A) a long-term financial plan;

(B) an asset management plan;

(C) a capital improvement plan; and

(D) a fiscal management plan.

(3) INCOME VERIFICATION.—In determining the income of a household for purposes of determining whether the household is an eligible household, a State, Indian Tribe, or owner or operator may use procedures and policies consistent with procedures and policies used by other low-income assistance programs.

(4) REPORTING REQUIREMENTS.—As a condition of receiving a grant under the program established under subsection (a), a State or Indian Tribe shall submit to the Administrator, in a manner determined by the Administrator, information regarding the drinking water and wastewater services access program the State or Indian Tribe carries out under paragraph (1) (including any part of such

program carried out pursuant to a contract or other agreement entered into under paragraph (2)), including—

(A) the design and implementation of the drinking water and wastewater services access program, including—

(i) the type of covered assistance provided;

(ii) sources of funding other than such grant;

(iii) the number of eligible households that received covered assistance under the drinking water and wastewater services access program, disaggregated by type of covered assistance received; and

(iv) drinking water and wastewater services access program costs;

(B) the impacts of the drinking water and wastewater services access program on community water systems, publicly owned treatment works, and eligible households that received covered assistance under the drinking water and wastewater services access program, including—

(i) the average amount of covered assistance provided to such eligible households, disaggregated by type of covered assistance;

(ii) the percentage of eligible households that received covered assistance under the drinking water and wastewater services access program;

(iii) the average amount of bill debt carried by such households before and after enrollment in the drinking water and wastewater services access program;

(iv) the number of annual service disconnections for nonpayment;

(v) the resources from community water systems or publicly owned treatment works used to resolve delinquent bills; and

(vi) the percent of on-time bill payments;

(C) barriers to eligible households receiving covered assistance under the drinking water and wastewater services access program; and

(D) any other relevant information the Administrator may require.

(5) PROHIBITION.—A community water system or publicly owned treatment works that receives funding from a drinking water and wastewater services access program (directly as covered assistance or indirectly from an eligible household that received covered assistance and is a customer of such system) may not disconnect or interrupt the service of any eligible household as a result of nonpayment or arrearages during any period of one year that begins on the date on which the eligible household receives covered assistance under the drinking water and wastewater services access program.

(6) NON-DISCRIMINATION.—No person shall on the ground of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any drinking water and wastewater services access program funded in whole or in part with funds made available under this section. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in section 504 of the Rehabilitation Act of 1973 also shall apply to any such drinking water and wastewater services access program.

(7) SUPPLEMENT NOT SUPPLANT.—Covered assistance provided under a drinking water and wastewater services access program carried out under paragraph (1)—

(A) may not be used to replace funds for any existing, similar local program to assist households in maintaining access to affordable drinking water or wastewater services; and

(B) may be used to supplement or enhance such a local program.

(8) NONCOMPLIANCE AND FAILURE TO REMEDY.—

(A) OWNERS AND OPERATORS.—

(i) NONCOMPLIANCE.—If a State or Indian Tribe determines that the owner or operator of a community water system or a publicly owned treatment works with which the State or Indian Tribe entered into a contract or other agreement under paragraph (2) is not in compliance with such contract or agreement, the State or Indian Tribe shall provide to the owner or operator written notice that describes the noncompliance.

(ii) FAILURE TO REMEDY.—If a State or Indian Tribe determines that an owner or operator of a community water system or a publicly owned treatment works has failed to remedy any noncompliance described in a written notice provided under clause (i) by not later than 90 days after receiving such notice, the State or Indian Tribe shall—

(I) terminate the contract or other agreement entered into with the owner or operator under paragraph (2); and

(II) implement the applicable elements of the drinking water and wastewater services access program of the State or Indian Tribe with respect to the customers of such community water system or publicly owned treatment works.

(B) STATES AND INDIAN TRIBES.—

(i) NONCOMPLIANCE.—

(I) NOTICE.—If the Administrator determines that a State or Indian Tribe is not using a grant pro-

vided under the program established under subsection (a) in accordance with this section (which may include failure to provide a written notice or terminate a contract or other agreement as required under subparagraph (A)), the Administrator shall provide to the State or Indian Tribe written notice that describes the noncompliance.

(II) PLAN REQUIRED.—Not later than 60 days after receiving a written notice under subclause (I), the State or Indian Tribe shall provide to the Administrator a plan to remedy the noncompliance described in the written notice.

(ii) FAILURE TO REMEDY.—If the Administrator determines that a State or Indian Tribe has failed to provide a plan that is sufficient to remedy any noncompliance described in a written notice provided under clause (i), the Administrator—

(I) may withhold a grant to be provided to such State or Indian

Tribe under the program established under subsection (a); and

(II) shall implement the drinking water and wastewater services access program of the State or Indian Tribe until the Administrator determines that the State or Indian Tribe has developed a plan that is sufficient to remedy the noncompliance.

(d) TECHNICAL ASSISTANCE.—

(1) IN GENERAL.—The Administrator shall, subject to the availability of appropriations, provide technical assistance to States, Indian Tribes, and owners and operators of community water systems and publicly owned treatment works that entered into a contract or other agreement with a State or Indian Tribe under this section to support the implementation of this section. Not more than 1 percent of the amount made available to carry out this section for a fiscal year may be used to provide technical assistance under this paragraph.

(2) GRANTS.—The Administrator may award grants to nonprofit organizations to provide technical assistance under paragraph (1). Each nonprofit organization receiving a grant under this

paragraph shall consult with the State, Indian Tribe, or owner or operator of a community water system or publicly owned treatment works to which the technical assistance is to be provided before using the grant. The Administrator shall prioritize awarding grants under this paragraph to nonprofit organizations that, as determined by the Administrator, are the most qualified and experienced in providing technical assistance to owners and operators of a community water system or publicly owned treatment works.

(e) GUIDANCE.—The Administrator shall provide guidance to States, Indian Tribes, and owners or operators of a community water system or publicly owned treatment works to effectively carry out drinking water and wastewater services access programs, and elements thereof, as applicable, in accordance with subsection (c), including effective methods to inform eligible households of the availability of covered assistance under such a program.

(f) REPORT.—Not later than 2 years after the date on which grants are first provided to a State or Indian Tribe under the program established under subsection (a), and every 2 years thereafter, the Administrator shall submit to Congress a report on the results of such program.

(g) DEFINITIONS.—In this section:

(1) COMMUNITY WATER SYSTEM.—The term "community water system" has the meaning given that term in section 1401 of the Safe Drinking Water Act Amendments of 1996 (42 U.S.C. 300f).

(2) COVERED ASSISTANCE.—The term "covered assistance" means each of the following:

(A) Direct financial assistance.

(B) A lifeline rate.

(C) Bill discounting.

(D) Special hardship provisions.

(E) A percentage-of-income payment plan.

(F) A payment made directly to a customer account of arrearages or fees from nonpayment for services provided by a community water system.

(G) Any other form of assistance approved by the Administrator.

(3) ELIGIBLE HOUSEHOLD.—The term "eligible household" means a household—

(A) that includes an individual who is—

(i) the holder of an account for drinking water or wastewater service that is provided to that household by a community water system or publicly owned treatment works; or

(ii) billed by a landlord that holds an account with a community water system or publicly owned treatment works for the cost of drinking water or wastewater service provided to that household, including where such cost is included in the bill as an average or assumed monthly amount; and

(B)(i) that has an income that, as determined by the State in which the household is located, does not exceed the greater of—

(I) an amount equal to 150 percent of the income described in the poverty guidelines that is applicable to the household; or

(II) an amount equal to 60 percent of the State median income for that State; or

(ii) in which 1 or more individuals are receiving—

(I) assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

(II) supplemental security income payments under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.);

(III) assistance under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.);

(IV) supplemental nutrition assistance program benefits under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.); or

(V) payments under—

(aa) section 1315, 1521, 1541, or 1542 of title 38, United States Code; or

(bb) section 306 of the Veterans' and Survivors' Pension Improvement Act of 1978 (38 U.S.C. 1521 note; Public Law 95–588).

(4) HOUSEHOLD.—The term "household" means any individual or group of individuals who are living together as 1 economic unit.

(5) INDIAN TRIBE.—The term "Indian Tribe" has the meaning given that term in section 1401 of the Safe Drinking Water Act Amendments of 1996 (42 U.S.C. 300f).

(6) POVERTY GUIDELINES.—The term "poverty guidelines" means the poverty guidelines issued by the Secretary of Health and Human Services pursu-

ant to section 673 of the Community Services Block Grant Act (42 U.S.C. 9902).

(7) SMALL SYSTEM.—The term "small system" means a community water system or publicly owned treatment works that serves fewer than 10,000 people.

(8) STATE.—The term "State" means each of the 50 States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, Guam, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands.

(9) STATE MEDIAN INCOME.—The term "State median income" has the meaning given that term in section 2603 of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8622).

(10) TREATMENT WORKS.—The term "treatment works" has the meaning given that term in section 212 of the Federal Water Pollution Control Act (33 U.S.C. 1292).

(11) WASTEWATER SERVICE.—The term "wastewater service" means the service provided by a treatment works.

(h) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated $1,500,000,000 for each of fiscal years 2026 through 2035 to carry out this section.

(2) SET-ASIDE FOR INDIAN TRIBES.—The Administrator shall ensure that not less than 3 percent of the amounts made available to carry out this section are provided as grants to Indian Tribes.

(i) CONFORMING AMENDMENT.—The Infrastructure Investment and Jobs Act (Public Law 117–58) is amended by striking section 50109.