



## Fact Sheet: The Water Resources Development Act of 2016

*S. 2848, the Water Resources Development Act of 2016 (WRDA) was voted out of the Senate Environment and Public Works Committee on April 28, 2016 by a vote of 19 to 1. The legislation authorizes over \$12 billion for 29 U.S. Army Corps of Engineers projects in 18 states which invest in ports and inland waterways, flood control and hurricane protection, and restoring ecosystems. The bill also addresses water resource challenges such as worsening droughts and provides investments in drinking water and wastewater infrastructure, including efforts to reduce the threat of lead poisoning. Furthermore, the bill provides direct emergency assistance to address the drinking water contamination in Flint, Michigan, and provides assistance to other communities facing similar drinking water threats. The CBO indicated that WRDA, as reported by the EPW Committee, is fully paid for and would save the federal budget \$6 million over 10 years.*

*S. 2848 includes a host of policy changes and funding proposed by Senate Democrats aimed at reducing the threat of lead poisoning in communities and improving drinking water infrastructure. Many of the proposals included in Senate Democrats comprehensive lead reduction legislation, The True LEADership Act of 2016 – cosponsored by 30 Senate Democrats – were included in S. 2848. Among these are a new grant program to reduce lead in drinking water, mandatory reporting of elevated lead levels, funding for lead testing in school and child care facilities' drinking water, and a requirement to use American iron and steel in drinking water infrastructure projects.*

### **Background on the Water Resources Development Act of 2016 (WRDA) - S. 2848**

**WRDA authorizes improvements to ports around the country.** WRDA authorizes improvements to ports around the country through the Harbor Maintenance Trust Fund (HMTF). These improvements at places such as Port Everglades, Florida and Charleston Harbor, South Carolina are aimed at expanding the flow of commerce and movement of goods. The bill builds on reforms in WRRDA 14 to the HMTF by clarifying the targets for increased HMTF funding, extending prioritization for donor and energy transfer ports and emerging harbors, and making clear that the Corps can maintain harbors of refuge.

**WRDA authorizes flood control and coastal hurricane protection projects around the country.** WRDA authorizes flood control and hurricane protection projects across the country, including rebuilding levees in Missouri, North Carolina, and Texas, and providing hurricane protection in Louisiana, which includes protection for I-10 – the major hurricane evacuation corridor for the city of New Orleans. The bill also authorizes FEMA to provide assistance to rehabilitate high hazard dams which pose a clear safety risk. The bill updates the Corps emergency rebuilding authority for flood control projects to allow the Corps to rebuild projects stronger than originally designed if it will reduce risk of loss of life and property and minimize life cycle rehabilitation costs.

**WRDA authorizes numerous projects to restore precious ecosystems and preserve the nation's natural heritage.** WRDA authorizes numerous projects to restore precious ecosystems and preserve the nation's natural heritage, including a project critical to the ongoing restoration of the Florida Everglades and a project to revitalize the Los Angeles River. The bill also promotes restoration of nationally significant water bodies and ecosystems, including the Great Lakes, Columbia River, Puget Sound, Salton Sea, Chesapeake Bay, North Atlantic Coast, Rio Grande, Lake Tahoe, Long Island Sound, and Delaware River Basin. The bill requires the Corps to provide a plan for prioritizing ecosystem restoration projects that address identified threats to public health and preserve or restore ecosystems of national significance. It also expands the ability of non-Federal service providers to operate Corps recreation facilities, allowing parks closed due to budget cuts to reopen.

**WRDA includes various provisions regarding regional initiatives to address water resource issues.** WRDA includes various provisions focused on regional initiatives to address important water resource issues that impact communities across the country. In addition to restoring nationally significant ecosystems, these initiatives improve sediment management, prevent ice jams, and ensure adequate snowpack and drought monitoring in the Missouri River basin; restore oyster beds in the Gulf of Mexico and Chesapeake Bay; reduce flood risk in the Columbia River; and identify opportunities to provide system-wide flood protection in the Upper Mississippi and Illinois Rivers.

**WRDA includes provisions to streamline review of Army Corps projects and increase local participation in federally funded water resource projects.** WRDA streamlines the process for approval of modifications to existing Corps projects and for new water withdrawals from Corps reservoirs. It also makes it easier for non-Federal partners to carry out portions of a project in advance of the Corps and receive credit for the work completed. Finally, the bill expands the role of local partners in implementation of water resource projects, including expanding the opportunity for non-Federal interests to carry out Corps projects and to contribute goods and services for a Corps project.

**WRDA invests in innovative technologies that address water resource challenges such as desalination and water reuse and recycling.** WRDA provides support for development and implementation of innovative water technologies by allowing states to provide additional incentives for the use of innovative technologies through the State Revolving Fund programs and establishing a new innovative water technology grant program. The bill also reauthorizes successful programs that invest in water resources research and implementation of emerging technologies, including the Water Desalination Act of 2006 and the Water Resources Research Act. Finally, the bill encourages partnerships with other countries with expertise in dealing with water resource challenges.

**WRDA increases flexibility and federal assistance to address drought.** WRDA takes multiple steps to provide additional support to drought-stricken communities, including requiring the development of drought resilience guidelines to help communities better prepare and respond to drought. WRDA also expands opportunities to update the operation of Corps reservoirs to incorporate new technologies and better meet project purposes, including water supply needs. In particular, the bill allows non-Federal interests to provide funding to the Corps to update or modify project operations to improve water supply.

**WRDA Provides Assistance to Small and Disadvantaged Communities:** WRDA authorizes \$1.43 billion for a new EPA grant program that will help small and disadvantaged

communities comply with federal standards under the Safe Drinking Water Act. Applicants from communities without basic drinking water or wastewater services receive priority access to funding. The bill provides \$20 million in direct spending to carry out this program.

**WRDA Addresses Infrastructure Affordability Concerns:** WRDA codifies EPA's integrated planning framework, enabling communities to plan for infrastructure investments in a manner that prioritizes public health while minimizing impacts on ratepayers. The bill also requires EPA to update its affordability guidance.

**WRDA Allows States to Issue Permits for Coal Ash:** WRDA authorizes EPA to approve state permitting programs for coal combustion residuals. State programs would be allowed to issue permits consistent with the levels of protection in EPA's 2015 coal ash rule.

**WRDA includes direct emergency assistance for the people of Flint, Michigan and other communities facing similar drinking water threats.**

- **Water Infrastructure Finance and Innovation Act (WIFIA):** Provides \$70 million in WIFIA credit subsidies with the goal of obligating at least \$700 million in secured financing for water infrastructure projects across the country. All water systems are eligible for WIFIA financing. WIFIA is a new financing mechanism for water infrastructure projects that was created in 2014. It is modeled on the successful TIFIA program for transportation projects.
- **\$100 million Drinking Water State Revolving Fund (DWSRF) funding:** Provides \$100 million to the DWSRF for subsidized loans and grants to any state that has received an emergency declaration under the Stafford Act due to a public health threat from lead or other contaminants in a public drinking water system. A state must submit to EPA a detailed report on how the funding would be used to address the public health emergency. That plan must be approved before financing is obligated. Funding that is not obligated within 18 months after enactment is transferred to grant programs to reduce lead levels in drinking water and to assist small and disadvantaged communities.
- **Drinking Water Infrastructure Debt Forgiveness for states with lead emergencies:** Any state that has received an emergency declaration under the Stafford Act due to a public health threat from lead or other contaminants in a public drinking water supply can use its FY2016 DWSRF allotment to forgive outstanding debt on DWSRF loans incurred prior to this fiscal year. In addition, the 20% cap on the amount of the FY2016 DWSRF allotment that can be utilized for principal forgiveness is waived.
- **Public Health funding for communities affected by lead:**
  - Provides \$17.5 million for HHS to conduct a health registry to monitor health in a community with lead contamination in the local drinking water system through the Agency for Toxic Substances and Disease Registry, or to support an existing registry via a grant or contract.

- Provides \$2.5 million to create an advisory committee to review federal efforts related to lead poisoning programming, research, and services, and to make recommendations to Congress and the Administration on how to improve health, education, and nutrition responses.
- Provides \$10 million over FY2017 and FY2018 for the CDC Childhood Lead Poisoning Prevention Fund, which develops programs, provides outreach to the public and health providers, supports research, and funds state programs to address and prevent childhood lead poisoning.
- Provides \$10 million over FY2017 and FY2018 for the HUD Healthy Homes Program, which provides grants to states to identify and mitigate a variety of environmental health and safety issues such as lead, mold, carbon monoxide, and radon.
- Provides \$10 million over FY2017 and FY2018 for the HHS Healthy Start Initiative. This program provides assistance to pregnant women and new mothers by helping connect them with health care and other resources to foster healthy childhood development.
- **Improved oversight of federal response to incidences of lead poisoning in water:** The Attorney General and Inspector General of the EPA will report to the Senate and House committees of jurisdiction on the status of ongoing investigations into the state and federal responses to the contamination of Flint's drinking water supply. Not later than 30 days after these investigations are completed, the Comptroller General of the United States is required to review and report on the adequacy of the state's and EPA's response to the water contamination.
- **Offset to pay for Flint emergency relief package:** \$300 million is rescinded from the credit subsidy for new Advanced Technology Vehicles Manufacturing loans after September 30, 2020.

**WRDA includes a wide range of measures and funding proposed by Senate Democrats aimed at rebuilding water infrastructure and reducing the threat of lead poisoning in the drinking water of communities across America.**

- **Reducing lead in drinking water grant program:** Authorizes a new grant program for replacement of lead service lines, testing, planning, corrosion control, and education. Excludes partial lead service line replacement from eligibility. Authorizes \$60 million for each of fiscal years 2017 through 2021, for a total of \$300 million over five years. Provides \$20 million in direct spending to carry out this program.
- **Improved notification of exceedance of lead action levels:** Revises the notification requirements of the Safe Drinking Water Act to require notice to the persons served by the system of exceedances of lead action levels within 15 days. If there is a violation of the Act has the potential for serious health effects, notice is also required to the Center for Disease Control (CDC) and state and county health agencies. Authorizes the Administrator to provide notice of any lead monitoring results.

- **Requires American made iron and steel in public water systems:** Ensures the use of American iron, steel, and manufactured goods in the construction of, alteration, maintenance, or repair of public works and water infrastructure projects funded through the Drinking Water State Revolving Fund.
- **Electronic reporting of drinking water data:** Requires electronic reporting of compliance monitoring data, where practicable.
- **Lead testing in school and child care drinking water grant program:** Authorizes \$20 million a year for fiscal years 2017 through 2021, totaling \$100 million, for grants to carry out a voluntary school and child care lead testing program.
- **Water Infrastructure Finance and Innovation Act (WIFIA):** Removes the pilot designation for the Water Infrastructure Finance and Innovation Act (WIFIA), which provides loans and loan guarantees for flood control, water supply, and wastewater infrastructure projects. WIFIA will significantly leverage federal investment in water infrastructure, lower the cost of infrastructure investments, and increase the availability of lower-cost capital for critical water infrastructure projects.