

LOW-INCOME WATER CUSTOMER ASSISTANCE PROGRAMS
ACT OF 2021

JUNE 29, 2021.—Ordered to be printed

Mr. PALLONE, from the Committee on Energy and Commerce,
submitted the following

R E P O R T

together with

MINORITY VIEWS

[To accompany H.R. 3293]

The Committee on Energy and Commerce, to whom was referred the bill (H.R. 3293) to amend the Safe Drinking Water Act and the Federal Water Pollution Control Act to establish programs to assist low-income households in maintaining access to drinking water and wastewater services, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

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The amendment is as follows:
Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Low-Income Water Customer Assistance Programs Act of 2021”.

SEC. 2. LOW-INCOME DRINKING WATER ASSISTANCE PROGRAM.

Part E of the Safe Drinking Water Act (42 U.S.C. 300j et seq.) is amended by adding at the end the following:

“SEC. 1459E. LOW-INCOME DRINKING WATER ASSISTANCE PROGRAM.

“(a) DEFINITIONS.—In this section:

“(1) ELIGIBLE ENTITY.—The term ‘eligible entity’ means—

“(A) a community water system that is owned or operated by a municipality, other than a small community-serving water system; or

“(B) a State, with respect to a small community-serving water system located in the State.

“(2) HOUSEHOLD.—The term ‘household’ means any individual or group of individuals who are living together as 1 economic unit.

“(3) LOCAL DRINKING WATER ACCESS PROGRAM.—The term ‘local drinking water access program’ means a program developed or implemented by an eligible entity using a grant awarded under this section.

“(4) LOW-INCOME HOUSEHOLD.—The term ‘low-income household’ means a household—

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

“(iv) payments under—

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

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

“(B) that has an income that—

“(i) 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 poverty level; and

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

“(ii) does not exceed an amount, determined by an eligible entity receiving a grant under this section, that—

“(I) is lower than the amount described in clause (i); and

“(II) is greater than or equal to 110 percent of the poverty level.

“(5) POVERTY LEVEL.—The term ‘poverty level’ means, with respect to a household in a State, the income described in the poverty guidelines issued by the Secretary of Health and Human Services pursuant to section 673 of the Community Services Block Grant Act (42 U.S.C. 9902), as applicable to the household.

“(6) SMALL COMMUNITY-SERVING WATER SYSTEM.—The term ‘small community-serving water system’ means a community water system that provides drinking water services to a municipality with a population of fewer than 10,000 residents, at least 20 percent of whom are at or below the poverty level.

“(7) 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).

“(b) ESTABLISHMENT.—

“(1) IN GENERAL.—The Administrator shall establish a Federal low-income drinking water assistance program to award grants to eligible entities to develop and implement local drinking water access programs to assist low-income households in maintaining access to affordable drinking water.

“(2) REQUIREMENTS FOR SMALL COMMUNITY-SERVING WATER SYSTEMS.—In order for a State to be eligible to receive a grant under this section for a small community-serving water system, the State and the small community-serving water system shall enter into a memorandum of understanding, under which the State shall—

“(A) submit to the Administrator an application under paragraph (6) for the small community-serving water system; and

“(B) on receipt of a grant under this section, develop and implement a local drinking water access program for the small community-serving water system.

“(3) LIMITATIONS.—A grant awarded under this subsection—

“(A) shall not be used to replace funds for any existing similar local program to assist low-income households in maintaining access to affordable drinking water; but

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

“(4) TERM.—The term of a grant awarded under this subsection shall be one year.

“(5) MINIMUM LOCAL PROGRAM REQUIREMENTS.—

“(A) IN GENERAL.—Not later than 6 months after the date of enactment of this section, the Administrator shall develop, in consultation with relevant stakeholders, the minimum requirements for a local drinking water access program.

“(B) INCLUSIONS.—The local drinking water access program requirements developed under subparagraph (A) may include—

“(i) direct financial assistance;

“(ii) a lifeline rate;

“(iii) bill discounting;

“(iv) special hardship provisions;

“(v) a percentage-of-income payment plan;

“(vi) water efficiency assistance, including subsidizing the cost of the installation of water efficient fixtures or leak repair work that is carried out or contracted by a homeowner; or

“(vii) any other form of assistance identified by the Administrator.

“(6) APPLICATION.—

“(A) IN GENERAL.—To receive a grant under this subsection, an eligible entity shall submit to the Administrator an application that demonstrates that—

“(i) the proposed local drinking water access program meets the requirements developed under paragraph (5); and

“(ii) the proposed local drinking water access program will treat households that live in owner-occupied homes and households that live in rental housing equitably.

“(B) ADDITIONAL REQUIREMENTS.—In the case of an eligible entity described in subsection (a)(1)(A), to receive a grant under this subsection, the eligible entity shall include in an application submitted under subparagraph (A) information demonstrating that—

“(i) the eligible entity has—

“(I) a long-term financial plan based on an analysis of the rates the applicable community water system charges for drinking water services;

“(II) an asset management plan;

“(III) a capital improvement plan with a period of not less than 20 years;

“(IV) a fiscal management plan; or

“(V) another plan similar to the plans described in subclauses (I) through (IV);

“(ii) a grant awarded under this subsection would support the efforts of the eligible entity to generate the necessary funds to achieve or maintain compliance with this Act while mitigating the cost to low-income households; and

“(iii) the eligible entity has the capacity to create and implement an effective community outreach plan to inform low-income households of the local drinking water access program and assist with enrollment.

“(7) PRIORITY.—In awarding grants under this subsection, the Administrator shall give priority to applications for local drinking water access programs with respect to which—

“(A) the owner or operator of the applicable community water system—

“(i) owns or operates a—

“(I) treatment works (as defined in section 212 of the Federal Water Pollution Control Act (33 U.S.C. 1292)) for municipal waste; or

“(II) a municipal separate storm sewer system (as such term is used in the Federal Water Pollution Control Act); and

- “(ii) is subject to a consent decree relating to compliance with the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) with respect to a treatment works or system described in clause (i);
- “(B) the residential customers of the applicable community water system have experienced rate or fee increases for drinking water services or wastewater services (including stormwater services) of 30 percent or more during the 3-year period ending on the date of enactment of this section; or
- “(C) the eligible entity will provide matching funds in an amount equal to or greater than the amount of the grant.
- “(8) REPORTING REQUIREMENTS.—
- “(A) IN GENERAL.—As a condition of receiving a grant under this subsection, an eligible entity shall submit to the Administrator, in a manner determined by the Administrator, information regarding the applicable local drinking water access program, including—
- “(i) key features, including—
- “(I) rate structures, rebates, discounts, and related initiatives that assist low-income households;
- “(II) billing methods that average rates over the course of a year, known as ‘budget billing’;
- “(III) bill timing; and
- “(IV) procedures that ensure that households receive notice and an opportunity to respond before service is disconnected or interrupted due to nonpayment;
- “(ii) sources of funding;
- “(iii) eligibility criteria;
- “(iv) participation rates by households;
- “(v) the average amount of assistance provided to low-income households that participate in the program;
- “(vi) program costs;
- “(vii) the demonstrable impacts of the program on arrearage and service disconnection for low-income households that participate in the program, based on data from before and after the implementation of the program, to the maximum extent practicable; and
- “(viii) other relevant information required by the Administrator.
- “(B) PUBLICATION.—The Administrator shall annually publish a report that compiles and summarizes the information submitted under subparagraph (A).
- “(9) ASSISTANCE EXEMPT FROM TAXATION.—Notwithstanding any other provision of law, assistance provided to a low-income household under a local drinking water access program shall not be includible in the gross income of the recipient of such assistance for purposes of the Internal Revenue Code of 1986.
- “(c) TECHNICAL ASSISTANCE.—The Administrator shall provide technical assistance to each eligible entity that receives a grant under this section to ensure—
- “(1) full implementation of the applicable local drinking water access program; and
- “(2) maximum enrollment of low-income households in the applicable local drinking water access program, including through—
- “(A) community outreach campaigns; or
- “(B) coordination with local health departments to determine the eligibility of households for assistance.
- “(d) REPORT.—Not later than 2 years after the date on which grant funds are first disbursed to an eligible entity under this section, and annually thereafter, the Administrator shall submit to Congress a report on the results of the Federal program established under this section.
- “(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$4,000,000,000, to remain available until expended.”.

SEC. 3. LOW-INCOME WASTEWATER ASSISTANCE PROGRAM.

Title I of the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) is amended by adding at the end the following:

“SEC. 124. LOW-INCOME WASTEWATER ASSISTANCE PROGRAM.

“(a) DEFINITIONS.—In this section:

“(1) COVERED FACILITY.—The term ‘covered facility’ means—

“(A) a treatment works for municipal waste; or

“(B) a municipal separate storm sewer system.

“(2) ELIGIBLE ENTITY.—The term ‘eligible entity’ means—

“(A) a municipality that owns or operates a covered facility, other than a small community-serving wastewater facility;

“(B) 2 or more municipalities described in subparagraph (A) that have entered into a partnership agreement or a cooperative agreement; or

“(C) a State, with respect to a small community-serving wastewater facility located in the State.

“(3) HOUSEHOLD.—The term ‘household’ means any individual or group of individuals who are living together as 1 economic unit.

“(4) LOCAL WASTEWATER SERVICES ACCESS PROGRAM.—The term ‘local wastewater services access program’ means a program developed or implemented by an eligible entity using a grant awarded under this section.

“(5) LOW-INCOME HOUSEHOLD.—The term ‘low-income household’ means a household—

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

“(iv) payments under—

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

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

“(B) that has an income that—

“(i) 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 poverty level; and

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

“(ii) does not exceed an amount, determined by an eligible entity receiving a grant under this section, that—

“(I) is lower than the amount described in clause (i); and

“(II) is greater than or equal to 110 percent of the poverty level.

“(6) POVERTY LEVEL.—The term ‘poverty level’ means, with respect to a household in a State, the income described in the poverty guidelines issued by the Secretary of Health and Human Services pursuant to section 673 of the Community Services Block Grant Act (42 U.S.C. 9902), as applicable to the household.

“(7) SMALL COMMUNITY-SERVING WASTEWATER FACILITY.—The term ‘small community-serving wastewater facility’ means a covered facility that provides services to municipality with a population of fewer than 10,000 residents, at least 20 percent of whom are at or below the poverty level.

“(8) 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).

“(b) ESTABLISHMENT.—

“(1) IN GENERAL.—The Administrator shall establish a Federal low-income wastewater assistance program to award grants to eligible entities to develop and implement local wastewater access programs to assist low-income households in maintaining access to affordable wastewater services, including municipal stormwater services.

“(2) REQUIREMENTS FOR SMALL COMMUNITY-SERVING WASTEWATER FACILITIES.—In order for a State to be eligible to receive a grant under this section for a small community-serving wastewater facility, the State and the small community-serving wastewater facility shall enter into a memorandum of understanding, under which the State shall—

“(A) submit to the Administrator an application under paragraph (6) for the small community-serving wastewater facility; and

“(B) on receipt of a grant under this section, develop and implement a local wastewater access program for the small community-serving wastewater facility.

“(3) LIMITATIONS.—A grant awarded under this subsection—

“(A) shall not be used to replace funds for any existing similar local program to assist low-income households in maintaining access to affordable wastewater services, including municipal stormwater services; but

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

“(4) TERM.—The term of a grant awarded under this subsection shall be one year.

“(5) MINIMUM LOCAL PROGRAM REQUIREMENTS.—

“(A) IN GENERAL.—Not later than 6 months after the date of enactment of this section, the Administrator shall develop, in consultation with relevant stakeholders, the minimum requirements for a local wastewater access program.

“(B) INCLUSIONS.—The local wastewater access program requirements developed under subparagraph (A) may include—

- “(i) direct financial assistance;
- “(ii) a lifeline rate;
- “(iii) bill discounting;
- “(iv) special hardship provisions;
- “(v) a percentage-of-income payment plan;
- “(vi) water efficiency assistance, including subsidizing the cost of the installation of water efficient fixtures or leak repair work that is carried out or contracted by a homeowner; or
- “(vii) any other form of assistance identified by the Administrator.

“(6) APPLICATION.—

“(A) IN GENERAL.—To receive a grant under this subsection, an eligible entity shall submit to the Administrator an application that demonstrates that—

- “(i) the proposed local wastewater access program meets the requirements developed under paragraph (5); and
- “(ii) the proposed local wastewater access program will treat households that live in owner-occupied homes and households that live in rental housing equitably.

“(B) ADDITIONAL REQUIREMENTS.—In the case of an eligible entity described in subsection (a)(1)(A), to receive a grant under this subsection, the eligible entity shall include in an application submitted under subparagraph (A) information demonstrating that—

- “(i) the eligible entity has—
 - “(I) a long-term financial plan based on an analysis of the rates the applicable covered facility charges for services;
 - “(II) an asset management plan;
 - “(III) a capital improvement plan with a period of not less than 20 years;
 - “(IV) a fiscal management plan; or
 - “(V) another plan similar to the plans described in subclauses (I) through (IV);

“(ii) a grant awarded under this subsection would support the efforts of the eligible entity to generate the necessary funds to achieve or maintain compliance with this Act while mitigating the cost to low-income households; and

“(iii) the eligible entity has the capacity to create and implement an effective community outreach plan to inform low-income households of the local wastewater access program and assist with enrollment.

“(7) PRIORITY.—In awarding grants under this subsection, the Administrator shall give priority to applications for local wastewater access programs with respect to which—

“(A) the applicable covered facility is subject to a consent decree relating to compliance with this Act;

“(B) the residential customers of the applicable covered facility have experienced rate or fee increases for drinking water services or wastewater services (including stormwater services) of 30 percent or more during the 3-year period ending on the date of enactment of this section;

“(C) the eligible entity develops an equivalent program, as determined by the Administrator, that is administered separately by the eligible entity;

“(D) matching funds will be provided in an amount equal to or greater than the amount of the grant; or

“(E) the eligible entity is described in subsection (a)(2)(B).

“(8) REPORTING REQUIREMENTS.—

“(A) IN GENERAL.—As a condition of receiving a grant under this subsection, an eligible entity shall submit to the Administrator, in a manner determined by the Administrator, information regarding the applicable local wastewater access program, including—

- “(i) key features, including—
 - “(I) rate structures, rebates, discounts, and related initiatives that assist low-income households;
 - “(II) billing methods that average rates over the course of a year, known as ‘budget billing’; and
 - “(III) bill timing;

- “(ii) sources of funding;
- “(iii) eligibility criteria;
- “(iv) participation rates by households;
- “(v) the average amount of assistance provided to low-income households that participate in the program;
- “(vi) program costs;
- “(vii) the demonstrable impacts of the program on arrearage and service disconnection for low-income households that participate in the program, based on data from before and after the implementation of the program, to the maximum extent practicable; and
- “(viii) other relevant information required by the Administrator.

“(B) PUBLICATION.—The Administrator shall annually publish a report that compiles and summarizes the information submitted under subparagraph (A).

“(9) ASSISTANCE EXEMPT FROM TAXATION.—Notwithstanding any other provision of law, assistance provided to a low-income household under a local wastewater access program shall not be includible in the gross income of the recipient of such assistance for purposes of the Internal Revenue Code of 1986.

“(c) TECHNICAL ASSISTANCE.—The Administrator shall provide technical assistance to each eligible entity that receives a grant under this section to ensure—

“(1) full implementation of the applicable local wastewater access program; and

“(2) maximum enrollment of low-income households in the applicable local wastewater access program, including through—

- “(A) community outreach campaigns; or
- “(B) coordination with local health departments to determine the eligibility of households for assistance.

“(d) REPORT.—Not later than 2 years after the date on which grant funds are first disbursed to an eligible entity under this section, and annually thereafter, the Administrator shall submit to Congress a report on the results of the Federal program established under this section.

“(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated carry out this section \$4,000,000,000, to remain available until expended.”.

SEC. 4. NEEDS ASSESSMENT FOR NATIONWIDE RURAL AND URBAN LOW-INCOME COMMUNITY WATER ASSISTANCE PROGRAM.

(a) DEFINITIONS.—In this section:

(1) ADMINISTRATOR.—The term “Administrator” means the Administrator of the Environmental Protection Agency.

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

(3) LOW-INCOME HOUSEHOLD.—The term “low-income household” means a household—

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

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

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

(B) 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 poverty level; and
- (ii) an amount equal to 60 percent of the State median income for that State.

(4) POVERTY LEVEL.—The term “poverty level” means, with respect to a household in a State, the income described in the poverty guidelines issued by the Secretary of Health and Human Services pursuant to section 673 of the Community Services Block Grant Act (42 U.S.C. 9902), as applicable to the household.

(5) 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).

(b) STUDY; REPORT.—

(1) IN GENERAL.—Not later than one year after the date of enactment of this Act, the Administrator shall conduct, and submit to Congress a report describing the results of, a study regarding the prevalence throughout the United States of low-income households that do not have access to—

(A) affordable and functional centralized or onsite wastewater services that protect the health of individuals in the households;

(B) affordable municipal stormwater services; or

(C) affordable public drinking water services to meet household needs.

(2) INCLUSIONS.—The report under paragraph (1) shall include—

(A) recommendations of the Administrator regarding the best methods to increase access to the services described in paragraph (1);

(B) a description of the cost of each method described in subparagraph (A);

(C) a description of all consultation with relevant stakeholders carried out in developing the report; and

(D) a description of the results of the study with respect to low-income households that live in rental housing and do not receive bills for such services, but pay for the services indirectly through rent payments.

(3) AGREEMENTS.—The Administrator may enter into an agreement with another Federal agency to carry out the study under paragraph (1).

I. PURPOSE AND SUMMARY

H.R. 3293, the “Low-Income Water Customer Assistance Programs Act of 2021”, amends the Safe Drinking Water Act (SDWA) and the Federal Water Pollution Control Act to establish permanent rate assistance programs for low-income water customers. Municipal water systems and states would administer the programs, pursuant to EPA grants. The bill also directs the Environmental Protection Agency (EPA) Administrator to provide technical assistance to grant recipients and submit a report to Congress, not later than two years after funds are first disbursed, on the results of the program.

II. BACKGROUND AND NEED FOR LEGISLATION

Water affordability is a growing issue for millions of Americans across the United States. According to EPA, drinking water and wastewater services are unaffordable for nearly 14 million households.^{1 2} Combined drinking water and wastewater prices have increased by an average of 80 percent between 2010 and 2018, whereas federal aid to public utilities has decreased.^{3 4} If no action is taken, current projections estimate the percentage of United States households that will find water bills unaffordable could increase from 11.9 percent to 35.6 percent over the next five years; this is a nearly three-fold increase.⁵

Currently, EPA does not provide water rate assistance. Some states and water and wastewater utilities have developed customer assistance programs (CAPs) to support customers with water bill affordability. CAPs can include bill discounts, flexible terms, life-

¹ Elizabeth A. Mack, *A Burgeoning Crisis? A Nationwide Assessment of the Geography of Water Affordability in the United States*, PLOS ONE (Jan. 11, 2017).

² EPA uses 4.5% of annual household income spent on water and wastewater as a benchmark to determine affordability criteria. See U.S. Environmental Protection Agency, Science Advisory Board, *Affordability Criteria for Small Drinking Water Systems: An EPA Science Advisory Board Report* (Dec. 2002) (EPA-SAB-EEAC-03-004).

³ Roger D. Colton, *The Affordability of Water and Wastewater Service In Twelve U.S. Cities: A Social, Business and Environmental Concern*, Fisher, Sheehan & Colton (May 2020); *Revealed: millions of Americans can't afford water as bills rise 80% in a decade*, The Guardian (June 23, 2020).

⁴ Congressional Budget Office, *Public Spending on Transportation and Water Infrastructure, 1956 to 2014* (Mar. 2015).

⁵ See note 1.

line rates, temporary assistance, and subsidized water efficiency measures.⁶ After a review of 795 utilities across the United States, EPA found that almost 30 percent offer one or more CAPs; the most popular is a bill discount, followed by flexible terms.⁷ Low-income households were the most served group by CAPs from utilities. Currently, the largest proportion of utility CAP funding comes from contributions from nonprofit organizations.⁸

H.R. 3293 is needed to establish a permanent federal mechanism for assisting low-income households with drinking water and wastewater affordability. In addition to providing financial assistance to water customers across the United States, increased funding for rate assistance would offset costs for utilities that are struggling to provide CAPs or sustain high levels of debt brought about by nonpayment.

III. COMMITTEE HEARINGS

For the purposes of section 3(c) of rule XIII of the Rules of the House of Representatives, the following hearing was used to develop or consider H.R. 3293:

The Subcommittee on Environment and Climate Change held a legislative hearing on May 25, 2021. The hearing was entitled, “The CLEAN Future Act and Drinking Water: Legislation to Ensure Drinking Water is Safe and Clean.” The Subcommittee received testimony from the following witness:

- Jennifer McLain, Ph.D., Director, Office of Ground Water and Drinking Water, U.S. Environmental Protection Agency.

IV. COMMITTEE CONSIDERATION

Representatives Lisa Blunt Rochester (D–DE), John Katko (R–NY), Debbie Dingell (D–MI), and Rashida Tlaib (D–MI) introduced H.R. 3293, the “Low-Income Water Customer Assistance Programs Act of 2021”, on May 18, 2021, which was referred to the Committee on Energy and Commerce. Subsequently, on May 21, 2021, H.R. 3293 was referred to the Subcommittee on Environment and Climate Change. A legislative hearing was held on the bill on May 25, 2021.

The Subcommittee on Environment and Climate Change met in virtual open markup session, pursuant to notice, to consider H.R. 3293 and two other bills on June 16, 2021. During consideration of the bill, an amendment in the nature of a substitute (AINS) offered by Representative Blunt Rochester was agreed to by a voice vote. An amendment to the Blunt Rochester AINS, offered by Representative Duncan (R–SC), was withdrawn. Upon conclusion of consideration of the bill, the Subcommittee ordered H.R. 3293 reported favorably to the full Committee, amended, by a voice vote.

On June 23, 2021, the full Committee met in open markup session, pursuant to notice, to consider H.R. 3293 and two other bills. During consideration of the bill, an amendment, offered by Representative Duncan, was defeated by a recorded vote of 24 yeas to 32 nays (*Roll call No. 32*). An amendment, offered by Representa-

⁶U.S. Environmental Protection Agency, *Drinking Water and Wastewater Utility Customer Assistance Programs* (Apr. 2016).

⁷*Id.*

⁸*Id.*

tive Crenshaw (R–TX), was withdrawn. Upon conclusion of consideration of the bill, the full Committee agreed to a motion on final passage offered by Representative Pallone (D–NJ), Chairman of the Committee, to order H.R. 3923 reported favorably to the House, amended, by a recorded vote of 32 yeas to 24 nays (*Roll call No. 33*), a quorum being present.

V. COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee to list each record vote on the motion to report legislation and amendments thereto. The Committee advises that there were two record votes taken on H.R. 3293, including a motion by Chairman Pallone ordering H.R. 3293 favorably reported to the House, amended. The motion on final passage of the bill was approved by a record vote of 32 yeas to 24 nays. The following are the record votes taken during Committee consideration, including the names of those members voting for and against:

Committee on Energy and Commerce
117th Congress

Full Committee
(ratio: 32-26)

ROLL CALL VOTE #32

Bill H.R. 3293, the "Low-Income Water Customer Assistance Programs Act of 2021"

Amendment: An amendment (3293FC_01), offered by Mr. Duncan of South Carolina, No. 1

Disposition **NOT AGREED TO** by a roll call vote of 24 yeas to 32 nays

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Mr. Pallone		X		Mrs. Rodgers	X		
Mr. Rush		X		Mr. Upton	X		
Ms. Eshoo		X		Mr. Burgess			
Ms. DeGette		X		Mr. Scalise	X		
Mr. Doyle		X		Mr. Latta	X		
Ms. Schakowsky		X		Mr. Guthrie	X		
Mr. Butterfield		X		Mr. McKinley	X		
Ms. Matsui		X		Mr. Kinzinger	X		
Ms. Castor		X		Mr. Griffith			
Mr. Sarbanes		X		Mr. Bilirakis	X		
Mr. McNerney		X		Mr. Johnson	X		
Mr. Welch		X		Mr. Long	X		
Mr. Tonko		X		Mr. Bueshon	X		
Ms. Clarke		X		Mr. Mullin	X		
Mr. Schrader		X		Mr. Hudson	X		
Mr. Cárdenas		X		Mr. Walberg	X		
Mr. Ruiz		X		Mr. Carter	X		
Mr. Peters		X		Mr. Duncan	X		
Mrs. Dingell		X		Mr. Palmer	X		
Mr. Veasey		X		Mr. Dunn	X		
Ms. Kuster		X		Mr. Curtis	X		
Ms. Kelly		X		Ms. Lesko	X		
Ms. Barragán		X		Mr. Pence	X		
Mr. McEachin		X		Mr. Crenshaw	X		
Ms. Blunt Rochester		X		Mr. Joyce	X		
Mr. Soto		X		Mr. Armstrong	X		
Mr. O'Halleran		X					
Ms. Rice		X					
Ms. Craig		X					
Ms. Schrier		X					
Ms. Trahan		X					
Ms. Fletcher		X					

Committee on Energy and Commerce
117th Congress

Full Committee
(ratio: 32-26)
ROLL CALL VOTE #33

Bill: H.R. 3293, the "Assistance, Quality, and Affordability Act of 2021"
 Motion: A motion by Mr. Pallone of New Jersey to order H.R. 3293 transmitted favorably to the House, amended (Final Passage)
 Disposition: **AGREED TO** by a roll call vote of 32 yeas to 24 nays

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Mr. Pallone	X			Mrs. Rodgers		X	
Mr. Rush	X			Mr. Upton		X	
Ms. Eshoo	X			Mr. Burgess		X	
Ms. DeGette	X			Mr. Scalise		X	
Mr. Doyle	X			Mr. Latta		X	
Ms. Schakowsky	X			Mr. Guthrie		X	
Mr. Butterfield	X			Mr. McKinley		X	
Ms. Matsui	X			Mr. Kinzinger		X	
Ms. Castor	X			Mr. Griffith			
Mr. Sarbanes	X			Mr. Bilirakis		X	
Mr. McNerney	X			Mr. Johnson		X	
Mr. Welch	X			Mr. Long		X	
Mr. Tonko	X			Mr. Bueshon		X	
Ms. Clarke	X			Mr. Mullin			
Mr. Schrader	X			Mr. Hudson		X	
Mr. Cárdenas	X			Mr. Walberg		X	
Mr. Ruiz	X			Mr. Carter		X	
Mr. Peters	X			Mr. Duncan		X	
Mrs. Dingell	X			Mr. Palmer		X	
Mr. Veasey	X			Mr. Dunn		X	
Ms. Kuster	X			Mr. Curtis		X	
Ms. Kelly	X			Ms. Lesko		X	
Ms. Barragán	X			Mr. Pence		X	
Mr. McEachin	X			Mr. Crenshaw		X	
Ms. Blunt Rochester	X			Mr. Joyce		X	
Mr. Soto	X			Mr. Armstrong		X	
Mr. O'Halleran	X						
Ms. Rice	X						
Ms. Craig	X						
Ms. Schrier	X						
Ms. Trahan	X						
Ms. Fletcher	X						

VI. OVERSIGHT FINDINGS

Pursuant to clause 3(c)(1) of rule XIII and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the oversight findings and recommendations of the Committee are reflected in the descriptive portion of the report.

VII. NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES

Pursuant to 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee adopts as its own the estimate of new budget authority, entitlement authority, or tax expenditures or revenues contained in the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

The Committee has requested but not received from the Director of the Congressional Budget Office a statement as to whether this bill contains any new budget authority, spending authority, credit authority, or an increase or decrease in revenues or tax expenditures.

VIII. 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.

IX. STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of rule XIII, the general performance goal or objective of this legislation is to establish permanent programs administered by EPA to assist low-income households in maintaining access to drinking water and wastewater services.

X. DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII, no provision of H.R. 3293 is known to be duplicative of another Federal program, including any program that was included in a report to Congress pursuant to section 21 of Public Law 111–139 or the most recent Catalog of Federal Domestic Assistance. The permanent programs established by this bill will complement the emergency program established under the Consolidated Appropriations Act of 2021.⁹

XI. COMMITTEE COST ESTIMATE

Pursuant to clause 3(d)(1) of rule XIII, the Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

⁹H.R. 133, 116th Cong. (2020).

XII. EARMARKS, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS

Pursuant to clause 9(e), 9(f), and 9(g) of rule XXI, the Committee finds that H.R. 3293 contains no earmarks, limited tax benefits, or limited tariff benefits.

XIII. ADVISORY COMMITTEE STATEMENT

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

XIV. APPLICABILITY TO 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.

XV. SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1. Short title

Section 1 designates that the short title may be cited as the “Low-Income Water Customer Assistance Programs Act of 2021”.

Sec. 2. Low-Income Drinking Water Assistance Program

Section 2 directs the EPA Administrator to establish a Federal low-income drinking water assistance program to award grants to eligible entities to develop and implement local drinking water access programs. Such programs would be used to assist low-income households in maintaining access to affordable drinking water. Municipal water systems and states would administer the programs, pursuant to EPA grants. The bill allows large water systems to apply directly and allows smaller systems to apply through states to reduce the application burden on such systems.

Section 2 also directs the Administrator to provide technical assistance to grant recipients and submit a report to Congress, not later than two years after funds are dispersed, on the results of the program. This section authorizes \$4 billion, to remain available until expended.

Sec. 3. Low-Income Wastewater Assistance Program

Section 3 directs the Administrator to establish a Federal low-income wastewater assistance program to award grants to eligible entities to develop and implement local wastewater access programs to assist low-income households in maintaining access to affordable wastewater services, including municipal stormwater services. The grant program follows the same design as the grant program in section 2. This section also authorizes \$4 billion, to remain available until expended.

Sec. 4. Needs assessment for Nationwide Rural and Urban Low-Income Community Water Assistance Program

Section 4 directs the Administrator to conduct a needs assessment for nationwide rural and urban low-income community water assistance program. In addition, the Administrator will submit a

report to Congress, not later than one year after enactment, describing the results of the study.

XVI. 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 (new matter is printed in italics and existing law in which no change is proposed is shown in roman):

SAFE DRINKING WATER ACT

TITLE XIV—SAFETY OF PUBLIC WATER SYSTEMS

* * * * *

PART E—GENERAL PROVISIONS

* * * * *

SEC. 1459E. LOW-INCOME DRINKING WATER ASSISTANCE PROGRAM.

(a) *DEFINITIONS.—In this section:*

(1) *ELIGIBLE ENTITY.—The term “eligible entity” means—*

(A) *a community water system that is owned or operated by a municipality, other than a small community-serving water system; or*

(B) *a State, with respect to a small community-serving water system located in the State.*

(2) *HOUSEHOLD.—The term “household” means any individual or group of individuals who are living together as 1 economic unit.*

(3) *LOCAL DRINKING WATER ACCESS PROGRAM.—The term “local drinking water access program” means a program developed or implemented by an eligible entity using a grant awarded under this section.*

(4) *LOW-INCOME HOUSEHOLD.—The term “low-income household” means a household—*

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

(iv) *payments under—*

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

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

(B) *that has an income that—*

(i) *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 poverty level; and

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

(ii) does not exceed an amount, determined by an eligible entity receiving a grant under this section, that—

(I) is lower than the amount described in clause (i); and

(II) is greater than or equal to 110 percent of the poverty level.

(5) *POVERTY LEVEL.*—The term “poverty level” means, with respect to a household in a State, the income described in the poverty guidelines issued by the Secretary of Health and Human Services pursuant to section 673 of the Community Services Block Grant Act (42 U.S.C. 9902), as applicable to the household.

(6) *SMALL COMMUNITY-SERVING WATER SYSTEM.*—The term “small community-serving water system” means a community water system that provides drinking water services to a municipality with a population of fewer than 10,000 residents, at least 20 percent of whom are at or below the poverty level.

(7) *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).

(b) *ESTABLISHMENT.*—

(1) *IN GENERAL.*—The Administrator shall establish a Federal low-income drinking water assistance program to award grants to eligible entities to develop and implement local drinking water access programs to assist low-income households in maintaining access to affordable drinking water.

(2) *REQUIREMENTS FOR SMALL COMMUNITY-SERVING WATER SYSTEMS.*—In order for a State to be eligible to receive a grant under this section for a small community-serving water system, the State and the small community-serving water system shall enter into a memorandum of understanding, under which the State shall—

(A) submit to the Administrator an application under paragraph (6) for the small community-serving water system; and

(B) on receipt of a grant under this section, develop and implement a local drinking water access program for the small community-serving water system.

(3) *LIMITATIONS.*—A grant awarded under this subsection—

(A) shall not be used to replace funds for any existing similar local program to assist low-income households in maintaining access to affordable drinking water; but

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

(4) *TERM.*—The term of a grant awarded under this subsection shall be one year.

(5) *MINIMUM LOCAL PROGRAM REQUIREMENTS.*—

(A) *IN GENERAL.*—Not later than 6 months after the date of enactment of this section, the Administrator shall develop, in consultation with relevant stakeholders, the min-

imum requirements for a local drinking water access program.

(B) *INCLUSIONS.*—The local drinking water access program requirements developed under subparagraph (A) may include—

- (i) direct financial assistance;
- (ii) a lifeline rate;
- (iii) bill discounting;
- (iv) special hardship provisions;
- (v) a percentage-of-income payment plan;
- (vi) water efficiency assistance, including subsidizing the cost of the installation of water efficient fixtures or leak repair work that is carried out or contracted by a homeowner; or
- (vii) any other form of assistance identified by the Administrator.

(6) *APPLICATION.*—

(A) *IN GENERAL.*—To receive a grant under this subsection, an eligible entity shall submit to the Administrator an application that demonstrates that—

- (i) the proposed local drinking water access program meets the requirements developed under paragraph (5); and
- (ii) the proposed local drinking water access program will treat households that live in owner-occupied homes and households that live in rental housing equitably.

(B) *ADDITIONAL REQUIREMENTS.*—In the case of an eligible entity described in subsection (a)(1)(A), to receive a grant under this subsection, the eligible entity shall include in an application submitted under subparagraph (A) information demonstrating that—

- (i) the eligible entity has—
 - (I) a long-term financial plan based on an analysis of the rates the applicable community water system charges for drinking water services;
 - (II) an asset management plan;
 - (III) a capital improvement plan with a period of not less than 20 years;
 - (IV) a fiscal management plan; or
 - (V) another plan similar to the plans described in subclauses (I) through (IV);
- (ii) a grant awarded under this subsection would support the efforts of the eligible entity to generate the necessary funds to achieve or maintain compliance with this Act while mitigating the cost to low-income households; and
- (iii) the eligible entity has the capacity to create and implement an effective community outreach plan to inform low-income households of the local drinking water access program and assist with enrollment.

(7) *PRIORITY.*—In awarding grants under this subsection, the Administrator shall give priority to applications for local drinking water access programs with respect to which—

(A) the owner or operator of the applicable community water system—

(i) owns or operates a—

(I) treatment works (as defined in section 212 of the Federal Water Pollution Control Act (33 U.S.C. 1292)) for municipal waste; or

(II) a municipal separate storm sewer system (as such term is used in the Federal Water Pollution Control Act); and

(ii) is subject to a consent decree relating to compliance with the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) with respect to a treatment works or system described in clause (i);

(B) the residential customers of the applicable community water system have experienced rate or fee increases for drinking water services or wastewater services (including stormwater services) of 30 percent or more during the 3-year period ending on the date of enactment of this section; or

(C) the eligible entity will provide matching funds in an amount equal to or greater than the amount of the grant.

(8) REPORTING REQUIREMENTS.—

(A) IN GENERAL.—As a condition of receiving a grant under this subsection, an eligible entity shall submit to the Administrator, in a manner determined by the Administrator, information regarding the applicable local drinking water access program, including—

(i) key features, including—

(I) rate structures, rebates, discounts, and related initiatives that assist low-income households;

(II) billing methods that average rates over the course of a year, known as “budget billing”;

(III) bill timing; and

(IV) procedures that ensure that households receive notice and an opportunity to respond before service is disconnected or interrupted due to non-payment;

(ii) sources of funding;

(iii) eligibility criteria;

(iv) participation rates by households;

(v) the average amount of assistance provided to low-income households that participate in the program;

(vi) program costs;

(vii) the demonstrable impacts of the program on arrearage and service disconnection for low-income households that participate in the program, based on data from before and after the implementation of the program, to the maximum extent practicable; and

(viii) other relevant information required by the Administrator.

(B) PUBLICATION.—The Administrator shall annually publish a report that compiles and summarizes the information submitted under subparagraph (A).

(9) ASSISTANCE EXEMPT FROM TAXATION.—Notwithstanding any other provision of law, assistance provided to a low-income household under a local drinking water access program shall

not be includible in the gross income of the recipient of such assistance for purposes of the Internal Revenue Code of 1986.

(c) *TECHNICAL ASSISTANCE.*—The Administrator shall provide technical assistance to each eligible entity that receives a grant under this section to ensure—

(1) full implementation of the applicable local drinking water access program; and

(2) maximum enrollment of low-income households in the applicable local drinking water access program, including through—

(A) community outreach campaigns; or

(B) coordination with local health departments to determine the eligibility of households for assistance.

(d) *REPORT.*—Not later than 2 years after the date on which grant funds are first disbursed to an eligible entity under this section, and annually thereafter, the Administrator shall submit to Congress a report on the results of the Federal program established under this section.

(e) *AUTHORIZATION OF APPROPRIATIONS.*—There is authorized to be appropriated to carry out this section \$4,000,000,000, to remain available until expended.

* * * * *

FEDERAL WATER POLLUTION CONTROL ACT

TITLE I—RESEARCH AND RELATED PROGRAMS

* * * * *

SEC. 124. LOW-INCOME WASTEWATER ASSISTANCE PROGRAM.

(a) *DEFINITIONS.*—In this section:

(1) *COVERED FACILITY.*—The term “covered facility” means—

(A) a treatment works for municipal waste; or

(B) a municipal separate storm sewer system.

(2) *ELIGIBLE ENTITY.*—The term “eligible entity” means—

(A) a municipality that owns or operates a covered facility, other than a small community-serving wastewater facility;

(B) 2 or more municipalities described in subparagraph

(A) that have entered into a partnership agreement or a cooperative agreement; or

(C) a State, with respect to a small community-serving wastewater facility located in the State.

(3) *HOUSEHOLD.*—The term “household” means any individual or group of individuals who are living together as 1 economic unit.

(4) *LOCAL WASTEWATER SERVICES ACCESS PROGRAM.*—The term “local wastewater services access program” means a program developed or implemented by an eligible entity using a grant awarded under this section.

(5) *LOW-INCOME HOUSEHOLD.*—The term “low-income household” means a household—

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

(iv) payments under—

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

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

(B) that has an income that—

(i) 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 poverty level; and

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

(ii) does not exceed an amount, determined by an eligible entity receiving a grant under this section, that—

(I) is lower than the amount described in clause (i); and

(II) is greater than or equal to 110 percent of the poverty level.

(6) **POVERTY LEVEL.**—The term “poverty level” means, with respect to a household in a State, the income described in the poverty guidelines issued by the Secretary of Health and Human Services pursuant to section 673 of the Community Services Block Grant Act (42 U.S.C. 9902), as applicable to the household.

(7) **SMALL COMMUNITY-SERVING WASTEWATER FACILITY.**—The term “small community-serving wastewater facility” means a covered facility that provides services to municipality with a population of fewer than 10,000 residents, at least 20 percent of whom are at or below the poverty level.

(8) **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).

(b) **ESTABLISHMENT.**—

(1) **IN GENERAL.**—The Administrator shall establish a Federal low-income wastewater assistance program to award grants to eligible entities to develop and implement local wastewater access programs to assist low-income households in maintaining access to affordable wastewater services, including municipal stormwater services.

(2) **REQUIREMENTS FOR SMALL COMMUNITY-SERVING WASTEWATER FACILITIES.**—In order for a State to be eligible to receive a grant under this section for a small community-serving wastewater facility, the State and the small community-serving wastewater facility shall enter into a memorandum of understanding, under which the State shall—

(A) submit to the Administrator an application under paragraph (6) for the small community-serving wastewater facility; and

(B) on receipt of a grant under this section, develop and implement a local wastewater access program for the small community-serving wastewater facility.

(3) *LIMITATIONS.*—A grant awarded under this subsection—

(A) shall not be used to replace funds for any existing similar local program to assist low-income households in maintaining access to affordable wastewater services, including municipal stormwater services; but

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

(4) *TERM.*—The term of a grant awarded under this subsection shall be one year.

(5) *MINIMUM LOCAL PROGRAM REQUIREMENTS.*—

(A) *IN GENERAL.*—Not later than 6 months after the date of enactment of this section, the Administrator shall develop, in consultation with relevant stakeholders, the minimum requirements for a local wastewater access program.

(B) *INCLUSIONS.*—The local wastewater access program requirements developed under subparagraph (A) may include—

(i) direct financial assistance;

(ii) a lifeline rate;

(iii) bill discounting;

(iv) special hardship provisions;

(v) a percentage-of-income payment plan;

(vi) water efficiency assistance, including subsidizing the cost of the installation of water efficient fixtures or leak repair work that is carried out or contracted by a homeowner; or

(vii) any other form of assistance identified by the Administrator.

(6) *APPLICATION.*—

(A) *IN GENERAL.*—To receive a grant under this subsection, an eligible entity shall submit to the Administrator an application that demonstrates that—

(i) the proposed local wastewater access program meets the requirements developed under paragraph (5); and

(ii) the proposed local wastewater access program will treat households that live in owner-occupied homes and households that live in rental housing equitably.

(B) *ADDITIONAL REQUIREMENTS.*—In the case of an eligible entity described in subsection (a)(1)(A), to receive a grant under this subsection, the eligible entity shall include in an application submitted under subparagraph (A) information demonstrating that—

(i) the eligible entity has—

(I) a long-term financial plan based on an analysis of the rates the applicable covered facility charges for services;

(II) an asset management plan;

(III) a capital improvement plan with a period of not less than 20 years;

(IV) a fiscal management plan; or

(V) another plan similar to the plans described in subclauses (I) through (IV);

(ii) a grant awarded under this subsection would support the efforts of the eligible entity to generate the necessary funds to achieve or maintain compliance with this Act while mitigating the cost to low-income households; and

(iii) the eligible entity has the capacity to create and implement an effective community outreach plan to inform low-income households of the local wastewater access program and assist with enrollment.

(7) **PRIORITY.**—In awarding grants under this subsection, the Administrator shall give priority to applications for local wastewater access programs with respect to which—

(A) the applicable covered facility is subject to a consent decree relating to compliance with this Act;

(B) the residential customers of the applicable covered facility have experienced rate or fee increases for drinking water services or wastewater services (including stormwater services) of 30 percent or more during the 3-year period ending on the date of enactment of this section;

(C) the eligible entity develops an equivalent program, as determined by the Administrator, that is administered separately by the eligible entity;

(D) matching funds will be provided in an amount equal to or greater than the amount of the grant; or

(E) the eligible entity is described in subsection (a)(2)(B).

(8) **REPORTING REQUIREMENTS.**—

(A) **IN GENERAL.**—As a condition of receiving a grant under this subsection, an eligible entity shall submit to the Administrator, in a manner determined by the Administrator, information regarding the applicable local wastewater access program, including—

(i) key features, including—

(I) rate structures, rebates, discounts, and related initiatives that assist low-income households;

(II) billing methods that average rates over the course of a year, known as “budget billing”; and

(III) bill timing;

(ii) sources of funding;

(iii) eligibility criteria;

(iv) participation rates by households;

(v) the average amount of assistance provided to low-income households that participate in the program;

(vi) program costs;

(vii) the demonstrable impacts of the program on arrearage and service disconnection for low-income households that participate in the program, based on data from before and after the implementation of the program, to the maximum extent practicable; and

(viii) other relevant information required by the Administrator.

(B) PUBLICATION.—The Administrator shall annually publish a report that compiles and summarizes the information submitted under subparagraph (A).

(9) ASSISTANCE EXEMPT FROM TAXATION.—Notwithstanding any other provision of law, assistance provided to a low-income household under a local wastewater access program shall not be includible in the gross income of the recipient of such assistance for purposes of the Internal Revenue Code of 1986.

(c) TECHNICAL ASSISTANCE.—The Administrator shall provide technical assistance to each eligible entity that receives a grant under this section to ensure—

(1) full implementation of the applicable local wastewater access program; and

(2) maximum enrollment of low-income households in the applicable local wastewater access program, including through—

(A) community outreach campaigns; or

(B) coordination with local health departments to determine the eligibility of households for assistance.

(d) REPORT.—Not later than 2 years after the date on which grant funds are first disbursed to an eligible entity under this section, and annually thereafter, the Administrator shall submit to Congress a report on the results of the Federal program established under this section.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated carry out this section \$4,000,000,000, to remain available until expended.

* * * * *

XVII. MINORITY VIEWS

We cannot support the version of H.R. 3293, the Low-Income Water Customer Assistance Program, that was reported by the Committee.

There are Americans who would benefit from aid to meet their water bills. But this bill is not the answer, especially in view of existing efforts.

First, this would be the first income-based or welfare program of any kind at the Environmental Protection Agency (EPA). H.R. 3293 creates a permanent, new income support program at EPA even though EPA's Director of the Office of Ground Water and Drinking Water, Dr. Jennifer McLain, testified before the Subcommittee on Environment and Climate Change that EPA does not have the in-house experience or the infrastructure in place to carry out this program. In fact, Dr. McLain mentioned that the Department of Health and Human Services (HHS) is currently in charge of an invoice aid program for water and wastewater customers—HHS has also been running the Low-Income Home Energy Assistance Program for decades.

Second, this legislation creates a two-tiered system for large and medium sized, publicly owned drinking water systems and everyone else. Privately-owned or operated systems and public drinking water utilities serving less than 10,000 people with a poverty level of 20 percent or greater must go through their states to obtain funding.

This is an arbitrary way to decide who can get money straight from the Federal government and who has to beg for it from a third party.

Third, the legislation explicitly says that its aid is meant to be additive to programs that already exist.

Congress has already spent at least \$1.1 billion on water rate assistance in the last six months. This money was for temporary programs—\$638 million in the Consolidated Appropriations Act, 2021, and \$500 million in the American Rescue Plan Act of 2021. H.R. 3292 would add another \$8 billion.

Republicans on the Energy and Commerce committee have asked repeatedly for an accounting of how this money has been spent, but the Biden Administration continues to ignore those requests. We need to know how this money is being spent before we consider a permanent, new income support program at EPA.

Fourth, the legislation creates new missions for EPA and public health departments, which focus on the active recruitment of participants to demonstrate the need for the program. This raises legitimate questions about the real purpose of this program.

Fifth, for those hoping this new program will subsidize rate increases that result from new, more stringent water regulations, we believe that trust is misplaced. Regulatory requirements are a

guarantee, but annual appropriations to offset the costs of those regulations are always uncertain.

This program is an acknowledgement that the Democrats' policies will: (1) increase costs, (2) fall most heavily on working class, middle-income Americans, and small businesses, and (3) place the Federal government in local utility pricing impacts.

Sixth, the bill removes an economic incentive for water conservation. Especially in the western United States, water scarcity and drought are increasingly urgent concerns. This bill creates a disincentive to use less water—it will strain on environmental and societal resources.

Finally, and most importantly, this bill requires a study on water affordability to determine if there is a problem, how big it is, and the best ways to solve it only after spending \$8 billion on the program. This is nonsensical. That is why during the Energy and Commerce Committee markup, Republicans offered and unanimously supported an amendment to pause this program until after the study is completed. Then, after Congress has information on the size and scope of this problem, we can craft a bipartisan and tailored solution.

This bill is well-meaning, but we urge a more cautious approach that is fair to all of the communities we represent. H.R. 3293 falls short of that standard, and we must oppose it in its current form.

CATHY MCMORRIS RODGERS,
*Republican Leader, Energy
and Commerce Committee.*

DAVID B. MCKINLEY,
*Republican Leader, Sub-
committee on Environment
and Climate Change.*

○