

**(ii) Repayment standards**

The criteria established under clause (i) shall include standards for reasonable assurance of repayment.

**(4) Prepayment****(A) Use of excess revenues**

Any excess revenues that remain after satisfying scheduled debt service requirements on the project obligations and secured loan and all deposit requirements under the terms of any trust agreement, bond resolution, or similar agreement securing project obligations may be applied annually to prepay a secured loan under this section without penalty.

**(B) Use of proceeds of refinancing**

A secured loan under this section may be prepaid at any time without penalty from the proceeds of refinancing from non-Federal funding sources.

**(d) Sale of secured loans****(1) In general**

Subject to paragraph (2), as soon as practicable after the date of substantial completion of a project and after providing a notice to the obligor, the Secretary or the Administrator, as applicable, may sell to another entity or reoffer into the capital markets a secured loan for a project under this section, if the Secretary or the Administrator, as applicable, determines that the sale or reoffering can be made on favorable terms.

**(2) Consent of obligor**

In making a sale or reoffering under paragraph (1), the Secretary or the Administrator, as applicable, may not change the original terms and conditions of the secured loan without the written consent of the obligor.

**(e) Loan guarantees****(1) In general**

The Secretary or the Administrator, as applicable, may provide a loan guarantee to a lender in lieu of making a secured loan under this section, if the Secretary or the Administrator, as applicable, determines that the budgetary cost of the loan guarantee is substantially the same as that of a secured loan.

**(2) Terms**

The terms of a loan guarantee provided under this subsection shall be consistent with the terms established in this section for a secured loan, except that the rate on the guaranteed loan and any prepayment features shall be negotiated between the obligor and the lender, with the consent of the Secretary or the Administrator, as applicable.

(Pub. L. 113–121, title V, § 5029, June 10, 2014, 128 Stat. 1338.)

**“SECRETARY” DEFINED**

Secretary means the Secretary of the Army, see section 2 of Pub. L. 113–121, set out as a note under section 2201 of this title.

**§ 3909. Program administration****(a) Requirement**

The Secretary or the Administrator, as applicable, shall establish a uniform system to serv-

ice the Federal credit instruments made available under this chapter.

**(b) Fees****(1) In general**

The Secretary or the Administrator, as applicable, may collect and spend fees, contingent on authority being provided in appropriations Acts, at a level that is sufficient to cover—

(A) the costs of services of expert firms retained pursuant to subsection (d); and

(B) all or a portion of the costs to the Federal Government of servicing the Federal credit instruments provided under this chapter.

**(c) Servicer****(1) In general**

The Secretary or the Administrator, as applicable, may appoint a financial entity to assist the Secretary or the Administrator in servicing the Federal credit instruments provided under this chapter.

**(2) Duties**

A servicer appointed under paragraph (1) shall act as the agent for the Secretary or the Administrator, as applicable.

**(3) Fee**

A servicer appointed under paragraph (1) shall receive a servicing fee, subject to approval by the Secretary or the Administrator, as applicable.

**(d) Assistance from experts**

The Secretary or the Administrator, as applicable, may retain the services, including counsel, of organizations and entities with expertise in the field of municipal and project finance to assist in the underwriting and servicing of Federal credit instruments provided under this chapter.

**(e) Applicability of other laws**

Section 513 of the Federal Water Pollution Control Act (33 U.S.C. 1372) applies to the construction of a project carried out, in whole or in part, with assistance made available through a Federal credit instrument under this chapter in the same manner that section applies to a treatment works for which a grant is made available under that Act [33 U.S.C. 1251 et seq.].

(Pub. L. 113–121, title V, § 5030, June 10, 2014, 128 Stat. 1341.)

**REFERENCES IN TEXT**

The Federal Water Pollution Control Act, referred to in subsec. (e), is act June 30, 1948, ch. 758, as amended generally by Pub. L. 92–500, § 2, Oct. 18, 1972, 86 Stat. 816, which is classified generally to chapter 26 (§ 1251 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1251 of this title and Tables.

**“SECRETARY” DEFINED**

Secretary means the Secretary of the Army, see section 2 of Pub. L. 113–121, set out as a note under section 2201 of this title.

**§ 3910. State, tribal, and local permits**

The provision of financial assistance for a project under this chapter shall not—

(1) relieve any recipient of the assistance of any obligation to obtain any required State, local, or tribal permit or approval with respect to the project;

(2) limit the right of any unit of State, local, or tribal government to approve or regulate any rate of return on private equity invested in the project; or

(3) otherwise supersede any State, local, or tribal law (including any regulation) applicable to the construction or operation of the project.

(Pub. L. 113–121, title V, § 5031, June 10, 2014, 128 Stat. 1342.)

### § 3911. Regulations

The Secretary or the Administrator, as applicable, may promulgate such regulations as the Secretary or Administrator determines to be appropriate to carry out this chapter.

(Pub. L. 113–121, title V, § 5032, June 10, 2014, 128 Stat. 1342.)

#### “SECRETARY” DEFINED

Secretary means the Secretary of the Army, see section 2 of Pub. L. 113–121, set out as a note under section 2201 of this title.

### § 3912. Funding

#### (a) In general

There is authorized to be appropriated to each of the Secretary and the Administrator to carry out this chapter, to remain available until expended—

- (1) \$20,000,000 for fiscal year 2015;
- (2) \$25,000,000 for fiscal year 2016;
- (3) \$35,000,000 for fiscal year 2017;
- (4) \$45,000,000 for fiscal year 2018; and
- (5) \$50,000,000 for fiscal year 2019.

#### (b) Administrative costs

Of the funds made available to carry out this chapter, the Secretary or the Administrator, as applicable, may use for the administration of this chapter, including for the provision of technical assistance to aid project sponsors in obtaining the necessary approvals for the project, not more than \$2,200,000 for each of fiscal years 2015 through 2019.

#### (c) Small community water infrastructure projects

##### (1) In general

For each fiscal year, the Secretary or the Administrator, as applicable, shall set aside not less than 15 percent of the amounts made available for that fiscal year under this section for small community water infrastructure projects described in section 3907(a)(2)(B) of this title.

##### (2) Administration

Any amounts set aside under paragraph (1) that remain unobligated on June 1 of the fiscal year for which the amounts are set aside shall be available for obligation by the Secretary or the Administrator, as applicable, for projects other than small community water infrastructure projects.

#### (d) Additional funding

Notwithstanding section 3908(b)(2) of this title, the Secretary or the Administrator, as applica-

ble, may make available up to 25 percent of the amounts made available for each fiscal year under this section for loans in excess of 49 percent of the total project costs.

(Pub. L. 113–121, title V, § 5033, June 10, 2014, 128 Stat. 1342.)

#### “SECRETARY” DEFINED

Secretary means the Secretary of the Army, see section 2 of Pub. L. 113–121, set out as a note under section 2201 of this title.

### § 3913. Reports on pilot program implementation

#### (a) Agency reporting

As soon as practicable after each fiscal year for which amounts are made available to carry out this chapter, the Secretary and the Administrator shall publish on a dedicated, publicly accessible Internet site—

- (1) each application received for assistance under this chapter; and
- (2) a list of the projects selected for assistance under this chapter, including—
  - (A) a description of each project;
  - (B) the amount of financial assistance provided for each project; and
  - (C) the basis for the selection of each project with respect to the requirements of this chapter.

#### (b) Reports to Congress

##### (1) In general

Not later than 4 years after June 10, 2014, the Comptroller General of the United States shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report summarizing for the projects that are receiving, or have received, assistance under this chapter—

- (A) the applications received for assistance under this chapter;
- (B) the projects selected for assistance under this chapter, including a description of the projects and the basis for the selection of those projects with respect to the requirements of this chapter;
- (C) the type and amount of financial assistance provided for each project selected for assistance under this chapter;
- (D) the financial performance of each project selected for assistance under this chapter, including an evaluation of whether the objectives of this chapter are being met;
- (E) the benefits and impacts of implementation of this chapter, including the public benefit provided by the projects selected for assistance under this chapter, including, as applicable, water quality and water quantity improvement, the protection of drinking water, and the reduction of flood risk; and
- (F) an evaluation of the feasibility of attracting non-Federal public or private financing for water infrastructure projects as a result of the implementation of this chapter.

##### (2) Recommendations

The report under paragraph (1) shall include—

- (A) an evaluation of the impacts (if any) of the limitation under section 3907(a)(5) of this