(ii) replacement of worn-out project elements; and

(iii) rehabilitation activities necessary to bring a deteriorated project back to the original condition of the project.

(C) Exclusion

The term "operations, maintenance, and replacement costs" does not include construction costs.

(7) Program

The term "Program" means the rural water supply program carried out under section 2402 of this title.

(8) Reclamation States

The term "Reclamation States" means the States and areas referred to in the first section of the Act of June 17, 1902 (43 U.S.C. 391).

(9) Rural water supply project

(A) In general

The term "rural water supply project" means a project that is designed to serve a community or group of communities, each of which has a population of not more than 50,000 inhabitants, which may include Indian tribes and tribal organizations, dispersed homesites, or rural areas with domestic, industrial, municipal, and residential water.

(B) Inclusion

The term "rural water supply project" includes—

(i) incidental noncommercial livestock watering and noncommercial irrigation of vegetation and small gardens of less than 1 acre; and

(ii) a project to improve rural water infrastructure, including—

(I) pumps, pipes, wells, and other diversions;

(II) storage tanks and small impoundments;

(III) water treatment facilities for potable water supplies, including desalination facilities;

(IV) equipment and management tools for water conservation, groundwater recovery, and water recycling; and

(V) appurtenances.

(C) Exclusion

The term "rural water supply project" does not include—

(i) commercial irrigation; or

(ii) major impoundment structures.

(10) Secretary

The term "Secretary" means the Secretary of the Interior.

(11) Tribal organization

The term "tribal organization" means-

(A) the recognized governing body of an Indian tribe; and

(B) any legally established organization of Indians that is controlled, sanctioned, or chartered by the governing body or democratically elected by the adult members of the Indian community to be served by the organization. (Pub. L. 109-451, title I, §102, Dec. 22, 2006, 120 Stat. 3346.)

References in Text

Act of June 17, 1902 (32 Stat. 388, chapter 1093), referred to in par. (2), is popularly known as the Reclamation Act and is classified generally to chapter 12 ($\S371$ et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 371 of this title and Tables.

SHORT TITLE

Pub. L. 109-451, §1(a), Dec. 22, 2006, 120 Stat. 3345, provided that: "This Act [enacting this chapter] may be cited as the 'Rural Water Supply Act of 2006'."

Pub. L. 109-451, title I, §101, Dec. 22, 2006, 120 Stat. 3346, provided that: "This title [enacting this subchapter] may be cited as the 'Reclamation Rural Water Supply Act of 2006'."

Pub. L. 109-451, title II, §201, Dec. 22, 2006, 120 Stat. 3356, provided that: "This title [enacting subchapter II of this chapter] may be cited as the 'Twenty-First Century Water Works Act'."

§2402. Rural water supply program

(a) In general

The Secretary, in cooperation with non-Federal project entities and consistent with this subchapter, may carry out a rural water supply program in Reclamation States to—

(1) investigate and identify opportunities to ensure safe and adequate rural water supply projects for domestic, municipal, and industrial use in small communities and rural areas of the Reclamation States;

(2) plan the design and construction, through the conduct of appraisal investigations and feasibility studies, of rural water supply projects in Reclamation States; and

(3) oversee, as appropriate, the construction of rural water supply projects in Reclamation States that are recommended by the Secretary in a feasibility report developed pursuant to section 2405 of this title and subsequently authorized by Congress.

(b) Non-Federal project entity

Any activity carried out under this subchapter shall be carried out in cooperation with a qualifying non-Federal project entity, consistent with this subchapter.

(c) Eligibility criteria

Not later than 1 year after December 22, 2006, the Secretary shall, consistent with this subchapter, develop and publish in the Federal Register criteria for—

(1) determining the eligibility of a rural community for assistance under the Program; and

(2) prioritizing requests for assistance under the Program.

(d) Factors

The criteria developed under subsection (c) shall take into account such factors as whether—

(1) a rural water supply project—

(A) serves—
(i) rural areas and small communities; or
(ii) Indian triban on

(ii) Indian tribes; or

(B) promotes and applies a regional or watershed perspective to water resources management; (2) there is an urgent and compelling need for a rural water supply project that would—(A) improve the health or aesthetic qual-

ity of water; (B) result in continuous, measurable, and

significant water quality benefits; or

(C) address current or future water supply needs;

(3) a rural water supply project helps meet applicable requirements established by law; and

 $\left(4\right)$ a rural water supply project is cost effective.

(e) Inclusions

The Secretary may include—

(1) to the extent that connection provides a reliable water supply, a connection to pre-existing infrastructure (including impoundments and conveyance channels) as part of a rural water supply project; and

(2) notwithstanding the limitation on population under section 2401(9)(A) of this title, a town or community with a population in excess of 50,000 inhabitants in an area served by a rural water supply project if, at the discretion of the Secretary, the town or community is considered to be a critical partner in the rural supply project.

(Pub. L. 109-451, title I, §103, Dec. 22, 2006, 120 Stat. 3347.)

§2403. Rural water programs assessment

(a) In general

In consultation with the Secretary of Agriculture, the Administrator of the Environmental Protection Agency, the Director of the Indian Health Service, the Secretary of Housing and Urban Development, and the Secretary of the Army, the Secretary shall develop an assessment of—

(1) the status of all rural water supply projects under the jurisdiction of the Secretary authorized but not completed prior to December 22, 2006, including appropriation amounts, the phase of development, total anticipated costs, and obstacles to completion;

(2) the current plan (including projected financial and workforce requirements) for the completion of the projects identified in paragraph (1) within the time frames established under the provisions of law authorizing the projects or the final engineering reports for the projects;

(3) the demand for new rural water supply projects;

(4) rural water programs within other agencies and a description of the extent to which those programs provide support for rural water supply projects and water treatment programs in Reclamation States, including an assessment of the requirements, funding levels, and conditions of eligibility for the programs assessed;

(5) the extent of the demand that the Secretary can meet with the Program;

(6) how the Program will complement authorities already within the jurisdiction of the Secretary and the heads of the agencies with whom the Secretary consults; and (7) improvements that can be made to coordinate and integrate the authorities of the agencies with programs evaluated under paragraph (4), including any recommendations to consolidate some or all of the activities of the agencies with respect to rural water supply.

(b) Consultation with States

Before finalizing the assessment developed under subsection (a), the Secretary shall solicit comments from States with identified rural water needs.

(c) Report

Not later than 2 years after December 22, 2006, the Secretary shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives a detailed report on the assessment conducted under subsection (a).

(Pub. L. 109-451, title I, §104, Dec. 22, 2006, 120 Stat. 3348.)

§2404. Appraisal investigations

(a) In general

On request of a non-Federal project entity with respect to a proposed rural water supply project that meets the eligibility criteria published under section 2402(c) of this title and subject to the availability of appropriations, the Secretary may—

(1) receive and review an appraisal investigation that is—

(A) developed by the non-Federal project entity, with or without support from the Secretary; and

(B) submitted to the Secretary by the non-Federal project entity;

(2) conduct an appraisal investigation; or

(3) provide a grant to, or enter into a cooperative agreement with, the non-Federal project entity to conduct an appraisal investigation, if the Secretary determines that—

(A) the non-Federal project entity is qualified to complete the appraisal investigation in accordance with the criteria published under section 2402(c) of this title; and

(B) using the non-Federal project entity to conduct the appraisal investigation is a cost-effective alternative for completing the appraisal investigation.

(b) Deadline

An appraisal investigation conducted under subsection (a) shall be scheduled for completion not later than 2 years after the date on which the appraisal investigation is initiated.

(c) Appraisal report

In accordance with subsection (f), after an appraisal investigation is submitted to the Secretary under subsection (a)(1) or completed under paragraph (2) or (3) of subsection (a), the Secretary shall prepare an appraisal report that—

(1) considers—

(A) whether the project meets-

(i) the appraisal criteria developed under subsection (d); and

(ii) the eligibility criteria developed under section 2402(c) of this title;