

chapter by providing assistance for projects and activities identified in section 1383(c) of this title.” for “for providing assistance (1) for construction of treatment works (as defined in section 1292 of this title) which are publicly owned, (2) for implementing a management program under section 1329 of this title, and (3) for developing and implementing a conservation and management plan under section 1330 of this title.”

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2014 AMENDMENT

Pub. L. 113-121, title V, §5006, June 10, 2014, 128 Stat. 1327, provided that: “This subtitle [subtitle A (§§5001-5006) of title V of Pub. L. 113-121, enacting section 1388 of this title and amending this section and sections 1382 and 1383 of this title], including any amendments made by the subtitle, shall take effect on October 1, 2014.”

§ 1382. Capitalization grant agreements

(a) General rule

To receive a capitalization grant with funds made available under this subchapter and section 1285(m) of this title, a State shall enter into an agreement with the Administrator which shall include but not be limited to the specifications set forth in subsection (b) of this section.

(b) Specific requirements

The Administrator shall enter into an agreement under this section with a State only after the State has established to the satisfaction of the Administrator that—

(1) the State will accept grant payments with funds to be made available under this subchapter and section 1285(m) of this title in accordance with a payment schedule established jointly by the Administrator under section 1381(b) of this title and will deposit all such payments in the water pollution control revolving fund established by the State in accordance with this subchapter;

(2) the State will deposit in the fund from State moneys an amount equal to at least 20 percent of the total amount of all capitalization grants which will be made to the State with funds to be made available under this subchapter and section 1285(m) of this title on or before the date on which each quarterly grant payment will be made to the State under this subchapter;

(3) the State will enter into binding commitments to provide assistance in accordance with the requirements of this subchapter in an amount equal to 120 percent of the amount of each such grant payment within 1 year after the receipt of such grant payment;

(4) all funds in the fund will be expended in an expeditious and timely manner;

(5) all funds in the fund as a result of capitalization grants under this subchapter and section 1285(m) of this title will first be used to assure maintenance of progress, as determined by the Governor of the State, toward compliance with enforceable deadlines, goals, and requirements of this chapter, including the municipal compliance deadline;

(6) treatment works eligible under this chapter which will be constructed in whole or in part with assistance made available by a State water pollution control revolving fund author-

ized under this subchapter, or section 1285(m) of this title, or both, will meet the requirements of, or otherwise be treated (as determined by the Governor of the State) under sections 1371(c)(1) and 1372 of this title in the same manner as treatment works constructed with assistance under subchapter II of this chapter;

(7) in addition to complying with the requirements of this subchapter, the State will commit or expend each quarterly grant payment which it will receive under this subchapter in accordance with laws and procedures applicable to the commitment or expenditure of revenues of the State;

(8) in carrying out the requirements of section 1386 of this title, the State will use accounting, audit, and fiscal procedures conforming to generally accepted government accounting standards;

(9) the State will require as a condition of making a loan or providing other assistance, as described in section 1383(d) of this title, from the fund that the recipient of such assistance will maintain project accounts in accordance with generally accepted government accounting standards, including standards relating to the reporting of infrastructure assets;

(10) the State will make annual reports to the Administrator on the actual use of funds in accordance with section 1386(d) of this title;

(11) the State will establish, maintain, invest, and credit the fund with repayments, such that the fund balance will be available in perpetuity for activities under this chapter;

(12) any fees charged by the State to recipients of assistance that are considered program income will be used for the purpose of financing the cost of administering the fund or financing projects or activities eligible for assistance from the fund;

(13) beginning in fiscal year 2016, the State will require as a condition of providing assistance to a municipality or intermunicipal, interstate, or State agency that the recipient of such assistance certify, in a manner determined by the Governor of the State, that the recipient—

(A) has studied and evaluated the cost and effectiveness of the processes, materials, techniques, and technologies for carrying out the proposed project or activity for which assistance is sought under this subchapter; and

(B) has selected, to the maximum extent practicable, a project or activity that maximizes the potential for efficient water use, reuse, recapture, and conservation, and energy conservation, taking into account—

(i) the cost of constructing the project or activity;

(ii) the cost of operating and maintaining the project or activity over the life of the project or activity; and

(iii) the cost of replacing the project or activity; and

(14) a contract to be carried out using funds directly made available by a capitalization grant under this subchapter for program management, construction management, feasibility studies, preliminary engineering, de-

sign, engineering, surveying, mapping, or architectural related services shall be negotiated in the same manner as a contract for architectural and engineering services is negotiated under chapter 11 of title 40 or an equivalent State qualifications-based requirement (as determined by the Governor of the State).

(June 30, 1948, ch. 758, title VI, § 602, as added Pub. L. 100-4, title II, § 212(a), Feb. 4, 1987, 101 Stat. 22; amended Pub. L. 113-121, title V, § 5002, June 10, 2014, 128 Stat. 1322.)

Editorial Notes

AMENDMENTS

2014—Subsec. (b)(6). Pub. L. 113-121, § 5002(1), substituted “eligible under this chapter” for “eligible under section 1383(c)(1) of this title”, “with assistance made available by a State water pollution control revolving fund authorized under this subchapter, or section 1285(m) of this title, or both,” for “before fiscal year 1995 with funds directly made available by capitalization grants under this subchapter and section 1285(m) of this title”, and “sections 1371(c)(1)” for “sections 1281(b), 1281(g)(1), 1281(g)(2), 1281(g)(3), 1281(g)(5), 1281(g)(6), 1281(n)(1), 1281(o), 1284(a)(1), 1284(a)(2), 1284(b)(1), 1284(d)(2), 1291, 1298, 1371(c)(1).”

Subsec. (b)(9). Pub. L. 113-121, § 5002(2), substituted “standards, including standards relating to the reporting of infrastructure assets;” for “standards; and”.

Subsec. (b)(11) to (14). Pub. L. 113-121, § 5002(3), (4), added pars. (11) to (14).

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2014 AMENDMENT

Amendment by Pub. L. 113-121 effective Oct. 1, 2014, see section 5006 of Pub. L. 113-121, set out as a note under section 1381 of this title.

§ 1383. Water pollution control revolving loan funds

(a) Requirements for obligation of grant funds

Before a State may receive a capitalization grant with funds made available under this subchapter and section 1285(m) of this title, the State shall first establish a water pollution control revolving fund which complies with the requirements of this section.

(b) Administration

Each State water pollution control revolving fund shall be administered by an instrumentality of the State with such powers and limitations as may be required to operate such fund in accordance with the requirements and objectives of this chapter.

(c) Projects and activities eligible for assistance

The amounts of funds available to each State water pollution control revolving fund shall be used only for providing financial assistance—

- (1) to any municipality or intermunicipal, interstate, or State agency for construction of publicly owned treatment works (as defined in section 1292 of this title);
- (2) for the implementation of a management program established under section 1329 of this title;
- (3) for development and implementation of a conservation and management plan under section 1330 of this title;
- (4) for the construction, repair, or replacement of decentralized wastewater treatment

systems that treat municipal wastewater or domestic sewage;

(5) for measures to manage, reduce, treat, or recapture stormwater or subsurface drainage water;

(6) to any municipality or intermunicipal, interstate, or State agency for measures to reduce the demand for publicly owned treatment works capacity through water conservation, efficiency, or reuse;

(7) for the development and implementation of watershed projects meeting the criteria set forth in section 1274 of this title;

(8) to any municipality or intermunicipal, interstate, or State agency for measures to reduce the energy consumption needs for publicly owned treatment works;

(9) for reusing or recycling wastewater, stormwater, or subsurface drainage water;

(10) for measures to increase the security of publicly owned treatment works;

(11) to any qualified nonprofit entity, as determined by the Administrator, to provide assistance to owners and operators of small and medium publicly owned treatment works—

(A) to plan, develop, and obtain financing for eligible projects under this subsection, including planning, design, and associated preconstruction activities; and

(B) to assist such treatment works in achieving compliance with this chapter; and

(12) to any qualified nonprofit entity, as determined by the Administrator, to provide assistance to an eligible individual (as defined in subsection (j))—

(A) for the repair or replacement of existing individual household decentralized wastewater treatment systems; or

(B) in a case in which an eligible individual resides in a household that could be cost-effectively connected to an available publicly owned treatment works, for the connection of the applicable household to such treatment works.

(d) Types of assistance

Except as otherwise limited by State law, a water pollution control revolving fund of a State under this section may be used only—

(1) to make loans, on the condition that—

(A) such loans are made at or below market interest rates, including interest free loans, at terms not to exceed the lesser of 30 years and the projected useful life (as determined by the State) of the project to be financed with the proceeds of the loan;

(B) annual principal and interest payments will commence not later than 1 year after completion of any project and all loans will be fully amortized upon the expiration of the term of the loan;

(C) the recipient of a loan will establish a dedicated source of revenue for repayment of loans;

(D) the fund will be credited with all payments of principal and interest on all loans; and

(E) for a treatment works proposed for repair, replacement, or expansion, and eligible for assistance under subsection (c)(1), the recipient of a loan shall—