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(Original Signature of Member)

114TH CONGRESS  
2D SESSION

# H. R.

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To amend the Federal Water Pollution Control Act to provide for an integrated planning and permitting process, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

Mr. GIBBS introduced the following bill; which was referred to the Committee on \_\_\_\_\_

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# A BILL

To amend the Federal Water Pollution Control Act to provide for an integrated planning and permitting process, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Water Quality Im-  
5 provement Act of 2016”.

1 **SEC. 2. INTEGRATED PLANNING PROCESS.**

2 Section 402 of the Federal Water Pollution Control  
3 Act (33 U.S.C. 1342) is amended by adding at the end  
4 the following:

5 “(s) INTEGRATED PLANNING AND PERMITTING.—

6 “(1) IN GENERAL.—The Administrator shall es-  
7 tablish a comprehensive and flexible integrated plan-  
8 ning process and permitting process for municipal  
9 wastewater and stormwater management that will  
10 help municipalities comply with the requirements of  
11 this Act by enabling municipalities to identify the  
12 most cost-effective and protective approaches to  
13 comply with such requirements, and prioritize their  
14 investments in addressing such requirements.

15 “(2) PLANNING AND PERMITTING PROCESS.—  
16 The Administrator shall ensure that, under the plan-  
17 ning and permitting process established under para-  
18 graph (1)—

19 “(A) actions taken by the municipality to  
20 comply with the requirements of this Act are  
21 implemented in a manner that—

22 “(i) considers alternative approaches  
23 and actions for the municipality to comply  
24 with such requirements;

25 “(ii) takes into consideration the tech-  
26 nical feasibility and economic affordability

1 of the alternative approaches and actions  
2 considered;

3 “(iii) accounts for the financial capa-  
4 bility of the municipality to comply with  
5 such requirements;

6 “(iv) prioritizes such requirements in  
7 order to provide the greatest environmental  
8 and public health benefits for the resources  
9 expended;

10 “(v) accounts for both the municipal-  
11 ity’s preexisting and reasonably anticipated  
12 future compliance requirements related to,  
13 as applicable—

14 “(I) a combined sewer overflow;

15 “(II) a sanitary sewer overflow;

16 “(III) a capacity, management,  
17 operation, and maintenance program  
18 for sanitary sewer collection systems;

19 “(IV) a municipal stormwater  
20 discharge;

21 “(V) a municipal wastewater dis-  
22 charge;

23 “(VI) a water quality-based efflu-  
24 ent limitation to implement an appli-

1 cable wasteload allocation in a total  
2 maximum daily load;

3 “(VII) source water protection  
4 efforts that protect surface water sup-  
5 plies; and

6 “(VIII) nonpoint source controls  
7 through proposed trading approaches  
8 or other mechanisms;

9 “(vi) allows a municipality to develop  
10 a schedule of compliance that sequences  
11 the implementation of effluent limitations  
12 and other control measures based on the  
13 priorities established under clause (iv), in  
14 accordance with paragraph (4);

15 “(vii) enables the municipality to im-  
16 plement innovative or sustainable tech-  
17 nologies, approaches, and practices to com-  
18 ply with such requirements, including  
19 through the use of green infrastructure  
20 measures as set forth in the memorandum  
21 issued by the Administrator on April 20,  
22 2011, entitled ‘Protecting Water Quality  
23 with Green Infrastructure in EPA Water  
24 Permitting and Enforcement Programs’;

1           “(viii) provides for meeting the re-  
2           quirements of this Act by using the exist-  
3           ing flexibilities in this Act and its imple-  
4           menting regulations, policies, and guid-  
5           ance; and

6           “(ix) reflects State requirements and  
7           planning efforts and incorporates State  
8           input on priority setting and other key im-  
9           plementation issues;

10          “(B) a municipality may develop an inte-  
11          grated plan, in consultation with the Adminis-  
12          trator (or an authorized State, in the case of a  
13          permit program approved under subsection (b)),  
14          that—

15               “(i) identifies the compliance require-  
16               ments of the municipality under this Act,  
17               including effluent limitations and other  
18               control measures to be implemented by the  
19               municipality;

20               “(ii) includes, as applicable, a sched-  
21               ule developed under subparagraph (A)(vi)  
22               for complying with such requirements; and

23               “(iii) includes documentation of the  
24               integrated planning and permitting process  
25               of the municipality under this section, in-

1 cluding data and other information on  
2 which the integrated plan is based;

3 “(C) such an integrated plan (including as  
4 applicable, the schedule of compliance included  
5 in the plan) may be incorporated in whole or in  
6 part into a permit issued to the municipality  
7 under this section;

8 “(D) progress in implementing the inte-  
9 grated plan is tracked and evaluated;

10 “(E) a process for revising the integrated  
11 plan, using adaptive management processes, to  
12 account for adjustments and further actions  
13 that may be needed to comply with the require-  
14 ments of this Act is incorporated into the inte-  
15 grated plan and the municipality’s permit  
16 issued under this section;

17 “(F) with respect to any permit issued  
18 under this subsection that includes effluent lim-  
19 itations and other control measures that are es-  
20 tablished as part of a schedule of compliance in-  
21 cluded in such an integrated plan, such effluent  
22 limitations and other control measures included  
23 in that permit shall be based on water quality  
24 and other requirements under this Act that are

1 technically feasible and economically affordable,  
2 as described in paragraphs (6) and (7); and

3 “(G) an authorized State, in the case of a  
4 permit program approved under subsection (b),  
5 may implement the integrated planning process  
6 under this subsection.

7 “(3) INTEGRATED PLANS.—

8 “(A) PLAN CONTENTS.—An integrated  
9 plan developed under this subsection shall in-  
10 clude the elements described in Part III of the  
11 Integrated Municipal Stormwater and Waste-  
12 water Planning Approach Framework, issued by  
13 the Environmental Protection Agency and dated  
14 May 2012.

15 “(B) DISSEMINATION OF INFORMATION.—  
16 The Administrator shall—

17 “(i) inform municipalities of the op-  
18 portunity to develop an integrated plan;  
19 and

20 “(ii) at the request of a municipality  
21 or a State, provide information and tech-  
22 nical assistance to the municipality or  
23 State regarding developing an integrated  
24 plan.

25 “(4) COMPLIANCE SCHEDULES.—

1           “(A) DURATION.—A schedule of compli-  
2           ance developed under paragraph (2)(A)(vi) and  
3           incorporated into a permit under this section  
4           may be implemented over more than 1 permit  
5           term.

6           “(B) SEQUENCING IMPLEMENTATION OF  
7           HIGH PRIORITY CONTROL MEASURES.—A sched-  
8           ule of compliance under this subsection may  
9           allow a municipality to sequence the implemen-  
10          tation of effluent limitations and other control  
11          measures that allow the municipality to imple-  
12          ment, and assess the effectiveness of, the high-  
13          est priority effluent limitations and other con-  
14          trol measures before requiring implementation  
15          of other effluent limitations or control meas-  
16          ures, if the schedule, once completed, would re-  
17          sult in compliance with all requirements of this  
18          Act.

19          “(C) REASONABLE PROGRESS.—A schedule  
20          of compliance under this subsection shall pro-  
21          vide for reasonable progress, including interim  
22          dates and milestones, as appropriate, to be  
23          made towards meeting the permit requirements  
24          subject to such schedule.

1           “(D) CONTROLS IDENTIFIED IN CURRENT  
2           AND SUBSEQUENT PERMITS.—Approved efflu-  
3           ent limitations and other control measures to be  
4           implemented by the municipality pursuant to  
5           this subsection—

6                   “(i) during the term of the current  
7                   permit shall be identified as such in the  
8                   schedule of compliance and the current  
9                   permit, and shall be requirements of the  
10                  current permit; and

11                   “(ii) subsequent to the term of the  
12                   current permit shall be identified as such  
13                   in the schedule of compliance and the cur-  
14                   rent permit, and shall become require-  
15                   ments of an appropriate subsequent per-  
16                   mit, but shall not be requirements of the  
17                   current permit.

18           “(E) STATE AUTHORITY TO AUTHORIZE  
19           SCHEDULES OF COMPLIANCE IN STATE WATER  
20           QUALITY STANDARDS.—

21                   “(i) IN GENERAL.—Nothing in section  
22                   301(b)(1)(C) shall preclude a State from  
23                   authorizing in its water quality standards  
24                   the issuance of a schedule of compliance to  
25                   meet water quality-based effluent limita-

1                   tions in permits that incorporate provisions  
2                   of an integrated plan pursuant to this sub-  
3                   section.

4                   “(ii) TRANSITION RULE.—In any case  
5                   in which a discharge is subject to a judicial  
6                   order or consent decree, as of the date of  
7                   enactment of this subsection, resolving an  
8                   enforcement action under this Act, any  
9                   schedule of compliance issued pursuant to  
10                  an authorization in a State water quality  
11                  standard shall not revise or otherwise af-  
12                  fect a schedule of compliance in that order  
13                  or decree, unless the order or decree is  
14                  modified by agreement of the parties and  
15                  the court.

16                  “(5) INTEGRATED PLAN AND PERMIT DECI-  
17                  SIONMAKING.—

18                  “(A) APPROVAL OF INTEGRATED PLANS  
19                  AND PERMITS.—Integrated plans and permits  
20                  incorporating such a plan developed under this  
21                  subsection are subject to the approval of the  
22                  Administrator (or an authorized State, in the  
23                  case of a permit program approved under sub-  
24                  section (b)), which shall not be unreasonably  
25                  withheld.

1           “(B) RENEWAL OF INTEGRATED PER-  
2           MIT.—

3                   “(i) IN GENERAL.—At the time of re-  
4                   newal of a municipality’s integrated permit  
5                   issued pursuant to this subsection, the Ad-  
6                   ministrator (or an authorized State, in the  
7                   case of a permit program approved under  
8                   subsection (b)) shall review the schedule of  
9                   compliance and other requirements in-  
10                  cluded in the existing permit to determine  
11                  whether the requirements should be contin-  
12                  ued or modified.

13                   “(ii) REVIEW CONSIDERATIONS.—The  
14                   permit review shall assess whether changed  
15                   circumstances warrant adjusting the ac-  
16                   tions to be taken by the municipality, in-  
17                   cluding whether—

18                           “(I) the effluent limitations and  
19                           other control measures in the current  
20                           permit are expected to result in the  
21                           municipality complying with the re-  
22                           quirements of this Act within the  
23                           timeframes provided in the schedule  
24                           of compliance;

1           “(II) the effluent limitations and  
2           other control measures continue to be  
3           technically feasible and economically  
4           affordable under paragraphs (6) and  
5           (7);

6           “(III) new innovative treatment  
7           approaches are available that provide  
8           greater environmental and public  
9           health benefits or have fewer adverse  
10          environmental impacts for the re-  
11          sources expended;

12          “(IV) the municipality is subject  
13          to additional regulatory requirements;

14          “(V) the municipality’s financial  
15          capability has changed; and

16          “(VI) reasonable progress has  
17          been achieved, as provided for under  
18          paragraph (4)(C), including meeting  
19          interim dates and milestones, and if  
20          not, the reasons for such failure to  
21          achieve reasonable progress.

22          “(iii) CONTINUATION OF REQUIRE-  
23          MENTS IN RENEWED PERMIT.—The permit  
24          requirements in an existing permit shall be  
25          incorporated into the renewed permit, un-

1 less the Administrator (or the authorized  
2 State, in the case of a permit program ap-  
3 proved under subsection (b)) determines  
4 that a requirement should be modified or  
5 removed to help the municipality comply  
6 with the requirements of this Act through  
7 the implementation of technically feasible  
8 and economically affordable effluent limita-  
9 tions and other control measures.

10 “(C) TRANSPARENCY OF PERMIT DECI-  
11 SIONS.—Prior to approving a plan developed  
12 under this subsection and issuing or renewing a  
13 permit incorporating such a plan pursuant to  
14 this subsection, or denying a request from a  
15 municipality for approval of a plan and issuance  
16 or renewal of a permit incorporating such a  
17 plan under this subsection, the Administrator  
18 (or an authorized State, in the case of a permit  
19 program approved under subsection (b)) shall—

20 “(i) prepare a report explaining the  
21 rationale for the proposed decision; and

22 “(ii) make the report publicly avail-  
23 able for review and comment by the mu-  
24 nicipality and other interested parties.

1           “(D) ADMINISTRATOR REVIEW OF STATE  
2           PERMITTING DECISIONS.—When the Adminis-  
3           trator provides his or her views to a State con-  
4           cerning a proposed integrated plan or permit  
5           incorporating such a plan that is to be issued  
6           by the State pursuant to this subsection, the  
7           Administrator shall make those views available  
8           in a written document that is publicly available  
9           for review and comment by the municipality  
10          and other interested parties.

11          “(6) TECHNICAL FEASIBILITY CRITERIA.—In  
12          making a determination of technical feasibility under  
13          this subsection, the Administrator (or the State)  
14          shall consider—

15               “(A) naturally occurring pollutant con-  
16               centrations;

17               “(B) natural, ephemeral, intermittent, or  
18               low flow conditions or water levels;

19               “(C) human-caused conditions or sources  
20               of pollution that cannot be remedied or would  
21               cause more environmental damage to correct  
22               than to leave in place;

23               “(D) dams, diversions, or other types of  
24               hydrologic modifications that make it not fea-  
25               sible to restore the water body to its original

1 condition or to operate such modification in a  
2 way that would comply with the requirements of  
3 this Act; and

4 “(E) physical conditions related to the nat-  
5 ural features of the water body, such as the  
6 lack of a proper substrate, cover, flow, depth,  
7 pools, riffles, and the like, unrelated to water  
8 quality, that may preclude compliance with the  
9 requirements of this Act.

10 “(7) ECONOMIC AFFORDABILITY CRITERIA.—

11 “(A) IN GENERAL.—In making a deter-  
12 mination of economic affordability under this  
13 subsection, the Administrator (or the author-  
14 ized State, in the case of a permit program ap-  
15 proved under subsection (b)) shall consider pre-  
16 existing and potential future costs, including of  
17 debt service, to the municipality for imple-  
18 menting effluent limitations and other control  
19 measures necessary to comply with the require-  
20 ments of this Act would result in substantial  
21 and widespread economic and social impact in  
22 the service area of the municipality.

23 “(B) BASIS FOR DETERMINING IMPACTS.—

24 In determining whether the economic and social  
25 impacts of preexisting and potential future

1 costs under subparagraph (A) are substantial  
2 and widespread, the Administrator (or the  
3 State) shall consider the financial condition  
4 both of the municipality and of persons in the  
5 service area of the municipality, taking into  
6 consideration factors including—

7 “(i) socioeconomic indicators, includ-  
8 ing income and unemployment data for the  
9 service area of the municipality;

10 “(ii) population trends in the service  
11 area of the municipality;

12 “(iii) impacts on low income house-  
13 holds in the service area, including the  
14 ability of such households to pay basic  
15 shelter costs;

16 “(iv) whether there is a local industry  
17 that is failing or relocating out of the serv-  
18 ice area of the municipality, or if a local  
19 industry might fail or relocate if higher  
20 taxes or fees are imposed on it;

21 “(v) the municipality’s capital im-  
22 provement plan and whether the munici-  
23 pality would, in order to finance improve-  
24 ments to comply with the requirements of  
25 this Act, have to divert resources that

1 would otherwise be used for investment in  
2 essential capital projects that provide core  
3 public services to the community;

4 “(vi) the ability of the municipality to  
5 incur more debt, including its ability to  
6 issue, and find a market for, additional  
7 municipal bonds;

8 “(vii) whether the debt incurred to  
9 implement the effluent limitations and  
10 other control measures has or will result in  
11 a lowering of the municipality’s bond rat-  
12 ing;

13 “(viii) whether the municipality has  
14 limited legal authority to pass increased  
15 costs through to ratepayers and increased  
16 costs of water quality programs must be  
17 paid from its general fund;

18 “(ix) the legally adopted rate struc-  
19 ture for provision of water and wastewater  
20 related services in the service area in effect  
21 at the time that a determination of eco-  
22 nomic affordability is made;

23 “(x) the cumulative costs paid by per-  
24 sons in the service area to an entity for

1 provision of water- and wastewater-related  
2 services; and

3 “(xi) other information determined to  
4 be relevant by the Administrator (or the  
5 authorized State, in the case of a permit  
6 program approved under subsection (b)),  
7 including whether the municipality is lo-  
8 cated in an area eligible for assistance  
9 under sections 201 or 209 of the Public  
10 Works and Development Act of 1965 (42  
11 U.S.C. 3141, 3149), as described in sec-  
12 tion 301 of that Act (42 U.S.C. 3161).

13 “(C) CUMULATIVE COSTS FOR WATER AND  
14 WASTEWATER RELATED SERVICES.—

15 “(i) INCLUSIONS.—Cumulative costs  
16 for the provision of water- and wastewater-  
17 related services to be considered under  
18 subparagraph (B)(xi) shall include the mu-  
19 nicipality’s preexisting and reasonably an-  
20 ticipated future costs paid by a person, in-  
21 cluding through taxes and fees, for the  
22 municipality’s cost of—

23 “(I) compliance with Federal and  
24 State water and wastewater related  
25 and other regulatory requirements;

1                   “(II) operation and maintenance  
2                   of water and wastewater systems;

3                   “(III) asset management; and

4                   “(IV) servicing any debt incurred  
5                   or to be incurred to finance the other  
6                   costs referred to in this clause.

7                   “(ii) SUBSTANTIAL IMPACT.—In mak-  
8                   ing a determination of economic impact  
9                   under subparagraph (B), the Adminis-  
10                  trator (or the State) shall consider the im-  
11                  pact on a person to be substantial if the  
12                  cumulative costs paid by the person ex-  
13                  ceeds, or is projected to exceed, 2 percent  
14                  of the person’s annual household income.

15                  “(iii) WIDESPREAD IMPACT.—In mak-  
16                  ing a determination of economic impact  
17                  under subparagraph (B), the Adminis-  
18                  trator (or the State) shall consider the im-  
19                  pact to be widespread if 20 percent or  
20                  more of persons in the service area of the  
21                  municipality face a substantial impact de-  
22                  scribed in clause (ii).

23                  “(D) ADDITIONAL REQUIREMENTS.—In  
24                  making a determination of economic afford-  
25                  ability under this subsection, the Administrator

1 (or the State) shall not base the determination  
2 on—

3 “(i) median household income in the  
4 service area of the municipality; or

5 “(ii) an expected minimum level of ex-  
6 penditure on the provision of water and  
7 wastewater services by a municipality.

8 “(8) FLEXIBILITY.—

9 “(A) IN GENERAL.—Nothing in this sub-  
10 section reduces or eliminates any flexibility  
11 available under this Act, including the authority  
12 of a State to—

13 “(i) revise a water quality standard  
14 after a use attainability analysis under sec-  
15 tion 131.10(g) of title 40, Code of Federal  
16 Regulations (as in effect on the date of en-  
17 actment of this subsection); or

18 “(ii) adopt a water quality standards  
19 variance under section 131.14 of title 40,  
20 Code of Federal Regulations (as in effect  
21 on the date of enactment of this sub-  
22 section).

23 “(B) APPROVALS.—Such a revision of a  
24 standard or adoption of a variance by a State  
25 under subparagraph (A)(i) is subject to the ap-

1           proval of the Administrator under section  
2           303(c), which shall not be unreasonably with-  
3           held.”.

4 **SEC. 3. UPDATING FINANCIAL CAPABILITY ASSESSMENT**

5                           **GUIDANCE.**

6           (a) IN GENERAL.—

7                   (1) UPDATE.—Not later than 15 months after  
8           the date of enactment of this Act, the Administrator  
9           shall update the financial capability assessment  
10          guidance published by the Administrator entitled  
11          “Combined Sewer Overflows—Guidance for Finan-  
12          cial Capability Assessment and Schedule Develop-  
13          ment” (EPA 832-B-97-004), dated February 1997.

14                  (2) SCOPE.—In updating the financial capa-  
15          bility assessment guidance developed under subpara-  
16          graph (1), the Administrator shall ensure that the  
17          guidance may be used for assessing the financial ca-  
18          pability of municipalities to implement effluent limi-  
19          tations and other control measures under the Fed-  
20          eral Water Pollution Control Act.

21           (b) REQUIREMENTS FOR UPDATING.—In updating  
22          the financial capability assessment guidance under sub-  
23          section (a), the Administrator shall—

24                   (1) consult with, and solicit advice and rec-  
25          ommendations from, representative municipal and

1 State officials (including their representative re-  
2 gional or national organizations), stakeholders, and  
3 other interested parties regarding how to assess the  
4 financial capability of municipalities to implement  
5 effluent limitations and other control measures  
6 under the Federal Water Pollution Control Act;

7 (2) ensure transparency in the consultation  
8 process, including promptly making accessible to the  
9 public all communications, records, and other docu-  
10 ments of all meetings that are part of the consulta-  
11 tion process;

12 (3) ensure that the updated guidance takes into  
13 consideration relevant studies, reports, and other in-  
14 formation related to assessing the financial capa-  
15 bility of municipalities to implement effluent limita-  
16 tions and other control measures, including—

17 (A) the reports of recommendations to the  
18 Environmental Protection Agency from the En-  
19 vironmental Financial Advisory Board related  
20 to financial capability assessments of munic-  
21 ipalities; and

22 (B) the memorandum of the Environ-  
23 mental Protection Agency entitled “Financial  
24 Capability Assessment Framework for Munic-  
25 ipal Clean Water Act Requirements”, dated No-

1 vember 24, 2014, and the accompanying guid-  
2 ance entitled “Financial Capability Assessment  
3 Framework”, dated November 24, 2014;

4 (4) ensure the evaluations by the Administrator  
5 of financial capability assessment and schedule of  
6 compliance development under subsection (s) of sec-  
7 tion 402 of the Federal Water Pollution Control Act  
8 reflect the economic affordability criteria described  
9 in subsection (s)(7) of that section;

10 (5) ensure the updated guidance provides a con-  
11 sistent reference point to aid parties in negotiating  
12 reasonable and effective schedules for implementing  
13 effluent limitations and other control measures  
14 under the Federal Water Pollution Control Act;

15 (6) publish in the Federal Register proposed  
16 updated financial capability assessment guidance  
17 under this section, and provide a period for public  
18 comment of not less than 60 days;

19 (7) prepare final updated financial capability  
20 assessment guidance, taking into account—

21 (A) the advice and recommendations ob-  
22 tained from the municipal and State officials  
23 (including their representative regional or na-  
24 tional organizations), stakeholders, and other  
25 interested parties; and

1 (B) the public comments received during  
2 the public comment period; and

3 (8) publish in the Federal Register, and submit  
4 to the Committee on Transportation and Infrastruc-  
5 ture of the House of Representatives and the Com-  
6 mittee on Environment and Public Works of the  
7 Senate, the final updated financial capability assess-  
8 ment guidance.

9 **SEC. 4. INTEGRATED PERMIT PILOT PROJECTS.**

10 (a) IN GENERAL.—In the first 5 fiscal years begin-  
11 ning after the date of enactment of this Act, the Adminis-  
12 trator, in coordination with appropriate State, local, and  
13 regional authorities, shall work cooperatively with, and fa-  
14 cilitate the efforts of, not fewer than 15 municipalities to  
15 develop and implement integrated plans and permits to  
16 meet the requirements of the Federal Water Pollution  
17 Control Act (33 U.S.C. 1342) in a manner consistent with  
18 section 402(s) of that Act.

19 (b) SELECTION OF MUNICIPALITIES.—

20 (1) ELIGIBILITY OF MUNICIPALITIES.—A mu-  
21 nicipality shall be eligible to participate in the pilot  
22 program under subsection (a) if the municipality—

23 (A) has a permit issued under section 402  
24 of the Federal Water Pollution Control Act; or

1 (B) is operating under an administrative  
2 order, administrative consent agreement, or ju-  
3 dicial consent decree to comply with the re-  
4 quirements of that Act.

5 (2) FACTORS.—In selecting municipalities eligi-  
6 ble under paragraph (1), the Administrator shall—

7 (A) give priority to municipalities—

8 (i) that are operating under an ad-  
9 ministrative order, administrative consent  
10 agreement, or judicial consent decree to  
11 comply with the requirements of the Fed-  
12 eral Water Pollution Control Act;

13 (ii) having difficulties complying with  
14 the Federal Water Pollution Control Act,  
15 in addition to the municipalities described  
16 in clause (i); or

17 (iii) that are affected by affordability  
18 constraints in planning and implementing  
19 effluent limitations and other control meas-  
20 ures under the Federal Water Pollution  
21 Control Act to address wet weather dis-  
22 charges or other water pollution issues  
23 from their wastewater and stormwater fa-  
24 cilities;

1 (B) give further priority to those munici-  
2 palities under subparagraph (A)—

3 (i) with knowledge and experience in  
4 developing integrated and adaptive clean  
5 water management practices, without re-  
6 gard to the status of the municipality in  
7 the process of planning or implementing  
8 such practices; and

9 (ii) that are seeking to develop and  
10 implement an integrated plan that includes  
11 adaptive approaches to account for  
12 changed or future uncertain circumstances;  
13 and

14 (C) seek to select municipalities—

15 (i) from different geographical regions  
16 of the United States; and

17 (ii) of various population sizes.

18 (3) **ADDITIONAL AUTHORITY.**—In carrying out  
19 this section, the Administrator may, with the agree-  
20 ment of and in coordination with a municipality and  
21 the applicable State—

22 (A) modify the implementation terms of an  
23 existing administrative order or administrative  
24 consent agreement, or seek to modify a judicial  
25 consent decree entered into by the municipality

1 with the Administrator pursuant to the Federal  
2 Water Pollution Control Act; and

3 (B) incorporate such modified implementa-  
4 tion terms, including the municipality's inte-  
5 grated plan, into an integrated permit issued  
6 pursuant to section 402(s) of the Federal  
7 Water Pollution Control Act.

8 (c) REPORT TO CONGRESS.—Not later than 1 year  
9 after the date of enactment of this Act, and each year  
10 thereafter for 5 years, the Administrator shall prepare and  
11 submit to the Committee on Transportation and Infra-  
12 structure of the House of Representatives and the Com-  
13 mittee on Environment and Public Works of the Senate  
14 a report on the implementation of this section and  
15 issuance of integrated permits pursuant to section 402(s)  
16 of the Federal Water Pollution Control Act, including—

17 (1) identification of the municipalities selected  
18 under this section;

19 (2) an evaluation of the specific outcomes  
20 achieved with respect to—

21 (A) reducing the costs of complying with  
22 the requirements of the Federal Water Pollu-  
23 tion Control Act for the municipalities selected  
24 under this section; and

1           (B) making reasonable progress towards  
2           achieving the applicable water quality and  
3           human health objectives of the Federal Water  
4           Pollution Control Act; and

5           (3) recommendations of any proposed legislative  
6           or administrative changes to improve the effective-  
7           ness and efficiency of the integrated planning and  
8           permitting process under section 402(s) of the Fed-  
9           eral Water Pollution Control Act.

10 **SEC. 5. DEFINITIONS.**

11       In this Act:

12           (1) MUNICIPALITY.—The term “municipality”  
13           has the meaning given that term in section 502(4)  
14           of the Federal Water Pollution Control Act (33  
15           U.S.C. 1362(4)).

16           (2) ADMINISTRATOR.—The term “Adminis-  
17           trator” means the Administrator of the Environ-  
18           mental Protection Agency.