



# Information Alert

*State-Federal Relations Division*

## **Congress Passes 2018 Water Resources Development Act**

Oct. 10, 2018

On Oct. 10, Congress passed S. 3021, the [“America’s Water Infrastructure Act of 2018,”](#) informally referred to as the 2018 Water Resources Development Act (WRDA). The bill includes much of the House’s [Water Resources Development Act of 2018, \(H.R. 8\)](#), which passed in June by a vote of [480-2](#), along with key provisions from the Senate’s [America’s Water Infrastructure Act](#) (S. 2800), which was unanimously approved by the Senate Environment and Public Works Committee in May. Negotiators made the decision to “pre-conference” the bills aiming for quick passage in both chambers. President Donald Trump is expected to sign the bill into law.

WRDA plays a key role in protecting, maintaining and further developing our nation’s water infrastructure systems including, ports, waterways, and clean and safe drinking water. It provides states with added stability and certainty to meet water infrastructure needs while also supporting the safety, environmental protection and economic development of communities across the nation. WRDA not only provides the U.S. Army Corps of Engineers (Corps) with its authorization to address and maintain America’s water infrastructure, including its ports, dam and flood resistance efforts, but also provides funding and financing opportunities to states undertaking vital water infrastructure projects. For information about the Corps FY 2019 appropriations, read NCSL’s [Info Alert](#).

The bill authorizes \$6.1 billion for Corps studies and projects, which includes \$3.7 billion in federal funds for 12 Corps dredging, flood protection and other projects. Also included is a three-year, \$4.4 billion, reauthorization of the [Drinking Water State Revolving Fund](#). It also addresses water infrastructure needs in tribal communities with the implementation of a new drinking water pilot program in certain regions. Additionally, the bill includes a provision that would allow water storage projects to receive federal funding under an expanded version of the [Water Infrastructure Financing Innovation Act](#) (WIFIA), a loan program originally authorized for drinking and wastewater projects. The bill eliminates WIFIA’s status as a “pilot” program, and provides it a two-year, \$100 million reauthorization. The bill also authorizes \$25 million in

grants for each fiscal year through 2021 for technical assistance to aid in identifying lead in drinking water and schools and daycare centers, with a priority given to low-income areas.

Further, the bill includes a two-year \$8 million authorization for a new Drinking Water System Infrastructure Resilience and Sustainability program that will offer grants to help small or disadvantaged communities prepare their drinking water infrastructure for threats like floods, hurricanes and hydrologic changes. Also included is a \$450 million authorization over two years for sewer-overflow control grants and includes provisions aimed at speeding reviews of hydropower projects.

Finally, the legislation includes provisions, which NCSL strongly [advocated for](#), requiring the Corps to develop a process to consult with impacted non-federal stakeholders, including state and local governments, on future and pending WRDA projects, district budgets, and guidance documents. The text also directs the Corps to provide non-federal interests with a balance sheet of federal and non-federal funds provided for water resources development projects, ensuring transparency and accountability in cost-sharing.

Unfortunately, the bill does not address the continued accumulation of harbor tax receipts in the Harbor Maintenance Trust Fund (HTMF), a critical tool to help address our nation's ports and harbor infrastructure. While an estimated \$1.7 billion in annual harbor maintenance tax revenue is currently being collected, annual appropriations have been significantly less than annual collections, yielding a HTMF balance of more than \$9 billion, which results in the imposition of a competitive burden without providing needed improvements to achieve effectiveness to offset added taxes.

For more information on the bill please read the section-by-section [analysis](#) or contact NCSL staff [Kristen Hildreth](#) or [Ben Husch](#).