

Section-by-Section Analysis of “MORE WATER Act”

January 2026

Section 1, Short Title

- This section indicates that this Act may be cited as the “MORE WATER Act” (Making Our communities Resilient through Enhancing Water for Agriculture, Technology, the Environment and Residences Act).

Section 2, Reauthorization of Large-Scale Water Recycling Program.

- This section primarily reauthorizes the large-scale water recycling program for 5 more years, through the end of 2031. Paragraphs (4) and (5).
- The reauthorization gives Reclamation the authority to fund feasibility studies for large-scale water recycling projects, which a recent GAO report pointed out was missing from the original authorization, causing Reclamation inefficiently to have to fund feasibility studies separately. Paragraph (2).
- Reclamation is given 60 days rather than the 30 days in the original authorization to notify Congress after finding specific large-scale water recycling projects to be feasible. Paragraph (3). This also responds to a recommendation in the recent GAO report.
- The reauthorization includes language similar to that in the Water Infrastructure Investments (WIIN) Act of 2016 to ensure that if the Large-Scale Water Recycling Program is not reauthorized for any reason in the future, large-scale water recycling projects at that time do not lose their authorization and have to stop work in the middle of construction and wait until they get a new Congressional authorization. Paragraph (4) ensures that these projects remain authorized even if the program expires, and paragraph (1) defines construction so that even projects in the latter stages of design remain authorized even if the program expires.
- Paragraph (5) authorizes \$450 million in appropriations for the program over 5 years, the same amount as the Bipartisan Infrastructure Law appropriated for the program over the 5 years from 2021 through 2026.

Section 3, Water Conveyance Improvements Program. (see “How the Multi-Benefit Conveyance Program Works in the MORE WATER ACT” for a more in-depth discussion)

This section establishes a programmatic authorization for Reclamation assistance to Federal and non-Federal conveyance projects where individual projects do not need to get Congressional authorization as long as they fit within the parameters of the program.

- Subsection (a) and (b) define key terms and establish the program.
- Subsections (c) and (d) establish requirements for Reclamation-led conveyance projects and non-Federal conveyance projects. The requirements are closely patterned after those established for Reclamation-led projects and state-led projects in section 4007 of the WIIN Act. Projects

- Must be feasible, as determined by the Secretary for Federal projects and by the sponsor with the Secretary's concurrence for non-Federal projects; and
- Must have secured a commitment for sufficient funding to meet the non-Federal cost share.
- Subsection (e) establishes Federal cost-share requirements:
 - The basic Federal cost-share is 50% [subsection (e)(1)], and Federal funding shall be in the form of grants, or nonreimbursable funding for Federal projects [subsection (j)].
 - What the Federal funding can be spent on depends on the type of projects. Projects that are not multi-benefit can spend the Federal cost-share solely on water supply benefits, or on some combination of water supply benefits and other benefits [subsection (e)(2)].
 - Multi-benefit projects can spend their Federal cost-share as follows [subsection (e)(3)]:
 - Federal funding up to 30% of the project cost can be spent flexibly on water supply or other benefits as described in subsection (e)(2).
 - Additional Federal funding of 20% of the project cost must be used for quantified and significant safe drinking water benefits (potable water consistent with Federal and State standards) for low-income populations or for quantified and significant environmental benefits. The eligible entity must negotiate the project's specific safe drinking water benefits for low-income populations or environmental benefits with stakeholders representing these interests. Subsection (e)(4).
 - Permissible forms of the non-Federal cost share include:
 - (1) WIFIA loans up to 80% of the project's total cost per the rules of WIFIA; and
 - (2) State Revolving Funds [subsection (e)(5)].
- Special provisions applicable to multi-benefit projects are set forth in subsection (f):
 - All authorized projects with a total cost over \$800 million, and half the projects with a total cost below that amount, must be multi-benefit projects [subsection (f)(1)].
 - Various flexible ways project sponsors can provide quantified and significant safe drinking water benefits for low-income communities are set forth in subsection (f)(2).
 - Water district delivery of drinking water shall constitute safe drinking water under the terms of the section if either existing facilities or planned facilities with viable funding sources including Federal and state funding will be available to treat the water or an equivalent amount of exchanged water to meet Federal and State standards [subsection (f)(2)(B)]. Nothing in this section requires water districts to pay for treatment of water delivered to low-income populations other than those to which the water districts have a contractual responsibility to treat the water [subsection (f)(2)(D)].

- Various flexible ways project sponsors can provide quantified and significant environmental benefits are set forth in subsection (f)(3).
- The Secretary must ensure that the collective group of multi-benefit projects funded have a mix of environmental benefits and safe drinking water benefits for low-income communities [subsection (f)(4)]. To the maximum extent practicable at least half of the projects must have environmental benefits, and at least half must have safe drinking water benefits for low-income communities. Projects with both types of benefits count in each category, so more than half of the projects could have each type of benefits.
- Construction of the core conveyance project may begin while the eligible entity sponsoring the project is negotiating the specific contours of drinking water for low-income community benefits or environmental benefits [subsection (f)(5)]. This provision allows for up to two years of initial construction funding solely for water supply benefits, as long as
 - The project proponent commits to add environmental benefits or drinking water benefits for low-income communities when they receive more Federal funding later;
 - They are in active negotiations with representatives for low-income communities or the environment; and
 - They submit their proposal for additional Federal funding for safe drinking water benefits for low-income communities or the environment within two years of first receiving Federal construction funding for the project.
- After two years of initial construction funding for any Federal benefit, remaining project funding must be allocated 60% for any of a broad range of benefits including water supply, and 40% for safe drinking water for low-income communities or environmental benefits [subparagraph (D) of subsection (f)(5)]. These proportions match the 30%-20% split between Federal funding for any of a broad range of benefits including water supply, and Federal funding for safe drinking water for low-income communities or environmental benefits.
- Subsection (g) describes criteria for the Secretary's selection of projects.
- Subsection (h) precludes the Secretary's establishment of any total dollar cost cap for funding of specific conveyance projects under this section.
- Subsection (i) excludes any new conveyance facility that costs over \$5 billion from receiving funding under this section.
- Subsection (j) provides that Federal funding under this section shall be non-reimbursable.
- Subsection (k) states that no eligible project shall be considered ineligible for assistance under the program because the project has received assistance under a different federal funding program or federal joint use agreement.
- Subsection (l) requires consistency with applicable Federal, State, and Tribal law.
- Subsection (m) authorizes \$500 million in appropriations for the program over 5 years.

Section 4, Reauthorization of Recycling Program and Environmental Restoration Program.

- Subsection (a) authorizes \$550 million in appropriations over 5 years for the water recycling program in the Water Infrastructure Investments for the Nation Act (43 U.S.C. 390b note; Public Law 114–322) (“WIIN Act of 2016”) section 4009(c). \$550 million is the same amount as the Bipartisan Infrastructure Law appropriated for the program over the 5 years from 2021 through 2026.
- Subsection (b) raises the per-project cap for Federal funding of water recycling projects under 43 U.S.C. 390h-13(d)(1) from the current \$30 million to \$50 million, subject to an automatic inflation adjustments. Given rapid inflation in construction costs, we believe a higher project cap is warranted. Under this provision, the project cap is the lesser of \$50 million or 25% of the project’s total costs.
- Section (c) modifies the reauthorized environmental restoration program in WIIN Act section 4010(b)(2).
- \$250 million is authorized for the program over 5 years, which can fund:
 - (A) Restoration of habitat or improvement of condition of saline inland lakes including Great Salt Lake;
 - (B) Instream habitat restoration, science and monitoring for species restoration, floodplain reconnection efforts that benefit fish, and fish hatchery modernization and construction projects; and
 - (C) planning, design, environmental reviews, permitting, construction, implementation, and adaptive management associated with any of the foregoing activities.

Section 5, Offset from Extension of Certain Provisions.

- This section extends the authorization for three WIIN Act programs until 15 years after the December 16, 2016 enactment of the WIIN Act, which is December 16, 2031:
 - The water recycling program in section 4009(c);
 - The environmental restoration program in section 4010(b)(2) as modified by section 4(c); and
 - The voluntary water district repayment of capital debts and contract conversion program in WIIN Act section 4011(a)(b)(c)(d) and (f).
- CBO estimated in 2023 that the substantively identical HR 3675 (Bobert) would bring in \$154 million in additional revenues. This is actual money that could be used to offset authorizations.

Section 6, Deauthorization of Inactive Projects Offset.

- This section establishes a transparent process for deauthorizing Bureau of Reclamation projects that have failed to receive any funding over the past 7 years.
- Reclamation must prepare interim and final lists of such projects subject to deauthorization and this section deauthorizes all those projects within 3 years of enactment with the exception of projects that 1) Congress resumes funding or disapproves of their deauthorization in an enacted concurrent resolution; 2) the project sponsor funds to completion; or 3) Interior finds vitally important to the needs of a State or the nation.