Amendment to the WSA 1958 to enable WP to perform reallocation studies, provide in kind services, and contribute funds.

SEC.____—The Water Supply Act of 1958 (43 U.S. Code § 390b) is amended by inserting the following paragraph (e):

"(f) SPONSOR PREPARATION.—

(a) IN GENERAL.—A non-Federal interest may perform a study or a portion of a study to provide additional storage capacity for domestic water supply or other conservation storage under the supervision of the Secretary. As provided in subsection (b), the Secretary shall provide the non-Federal interest with appropriate guidance and assistance in the preparation. The Secretary shall independently evaluate the environmental study document and shall take responsibility for the contents.

(b) AGREEMENT.—In any case in which the non-Federal interest agrees to perform a study or a portion of a study to provide additional storage capacity for domestic water supply or other conservation storage, the Secretary and the non-Federal interest shall enter into an agreement prior to the non-Federal interest initiating the study, which:

(1) Establishes the scope and defines the assumptions to be used by the non-Federal interest in performing the study or a portion of a study;

(2) Establishes the roles and responsibilities of the Government and the non-Federal interest for performing the study or a portion of the study; and

(3) Establishes the Government's roles and responsibilities for review and approval of the study or portions of the study performed by the non-Federal interest.

(c) CASH CONTRIBUTIONS.—The Secretary may accept funds from a non-Federal interest such funds as may be contributed by them for work, which includes planning, design, and construction, to be expended in connection with funds appropriated by the United States whenever such work and expenditure may be considered by the Secretary as advantageous in the public interest to provide additional storage capacity for domestic water supply or other conservation storage that is consistent with Federal uses and purposes of the reservoir.

(d) IN-KIND SERVICES.—The Secretary is authorized to accept services, materials, supplies, or other in-kind services from a non-Federal interest that is necessary to

provide additional storage capacity for domestic water supply or other conservation storage that is consistent with Federal uses and purposes of the reservoir.

(e) CREDIT.—The Secretary shall credit against the cost of storage or the annual operation, maintenance, and replacement costs, as determined by the non-Federal interest, an amount equal to the services provided by a non-Federal interest under sections (f). The amount of credit shall not exceed the amount that would have been he responsibility of the Secretary if the study had been developed by the Secretary.