

MORE WATER Act (S. 3738): Current Law vs. Bill as Introduced

Prepared for the Monterey Peninsula Water Management District Legislative Advocacy Committee

Source: S. 3738, *Making Our Communities Resilient through Enhancing Water for Agriculture, Technology, the Environment, and Residences Act* (as introduced by Sen. Padilla)

Table 1: Large-Scale Water Recycling and Reuse Program (IIJA Sec. 40905)

Element	Current Law	MORE WATER Act (S. 3738 as Introduced)	Notes / MPWMD Relevance
Authorizing Statute	IIJA Section 40905 (43 U.S.C. 3205)	Amended by S. 3738, Sec. 2	Builds on existing IIJA framework
Authorization of Appropriations	\$450M (FY2022-FY2027, one-time)	\$450M for FY2028-FY2032	Extends and reauthorizes at same level for a new 5-year period
Project Eligibility Threshold	Total project cost of \$500M or more	Unchanged (\$500M or more)	No change
Federal Cost Share	25% of total project cost	Unchanged (25%)	No change
Per-Project Federal Cap	\$250M	Unchanged (\$250M)	No change
Eligible Activities	Planning, design, and construction	Feasibility studies, planning, design, and construction	Adds feasibility studies; adds definition of 'construction'
Application Window	30 months from first grant award	60 months from first grant award	Doubles the application window
Program Sunset	5 years after first grant award	10 years after first grant award	Doubles sunset; projects under construction at sunset are grandfathered

Table 2: Title XVI Water Reclamation and Reuse Program

Element	Current Law	MORE WATER Act (S. 3738 as Introduced)	Notes / MPWMD Relevance
Authorizing Statute	Reclamation Wastewater and Groundwater Study and Facilities Act (43 U.S.C. 390h)	Amended by S. 3738, Sec. 4	Reauthorizes the program for a new period

Element	Current Law	MORE WATER Act (S. 3738 as Introduced)	Notes / MPWMD Relevance
Authorization of Appropriations	No specific aggregate authorization in current law for this period	\$550M for FY2028-FY2032	Provides new 5-year authorized funding level
Federal Cost Share	25% of total project cost	Unchanged (25%)	No change
Per-Project Federal Cap (Statutory)	\$20M (October 1996 prices)	\$50M (December 2025 prices), with annual CPI-U adjustment	Increases cap by 150% and adds automatic inflation indexing
Per-Project Cap (WIIN Competitive Grants, Administrative)	\$40M (per BOR Jan. 2025 adjustment)	Not directly addressed in S. 3738	The WIIN grant track operates under separate administrative authority; the statutory change would raise the baseline ceiling above the current WIIN cap

Table 3: New Programs Established by S. 3738

Program	Key Provisions	Funding	Notes / MPWMD Relevance
Water Conveyance Improvement Program (Sec. 3)	Grants for new or improved water conveyance facilities in Reclamation States. 50% federal cost share. No per-project dollar cap on federal funds. New facilities over \$5B ineligible. Multi-benefit requirements for projects over \$800M.	\$500M authorized for FY2028-FY2032. Funds are nonreimbursable.	New program; higher federal cost share (50%) than Title XVI (25%). Could be relevant if MPWMD pursues conveyance upgrades tied to water supply reliability.
Environmental Restoration (Sec. 4(c), amending WIIN Act Sec. 4010(b)(2))	Habitat restoration, species recovery, monitoring, and facility improvements at BOR projects. Includes Great Salt Lake, Sacramento	\$250M authorized for FY2028-FY2032.	May benefit Central Valley and other California BOR operations that affect broader water supply and habitat conditions relevant to the Monterey Peninsula.

Program	Key Provisions	Funding	Notes / MPWMD Relevance
	River system, and other BOR-affected rivers.		

Key Takeaways for MPWMD

The Title XVI per-project cap increase from \$20M to \$50M (with CPI-U indexing) is the most directly relevant provision for MPWMD. This change would significantly increase the potential federal contribution to District water recycling projects under the base Title XVI program.

The large-scale program retains its existing cost share structure (25%, up to \$250M, for projects \$500M and above) but gains a longer application window, extended sunset, and new authorization period. The threshold remains above the scale of current MPWMD projects.

The new Water Conveyance Improvement Program offers a 50% federal cost share with no per-project dollar cap, which could present future opportunities depending on MPWMD infrastructure needs.

S. 3738 was introduced by Sen. Padilla. Bill status and committee referral should be confirmed for the current session.