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(Original Signature of Member)

116TH CONGRESS  
2D SESSION

**H. R.** \_\_\_\_\_

To modernize the hydropower licensing process and to promote next generation hydropower projects, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

Mrs. MCMORRIS RODGERS introduced the following bill; which was referred to the Committee on \_\_\_\_\_

\_\_\_\_\_  
**A BILL**

To modernize the hydropower licensing process and to promote next generation hydropower projects, 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 “Hydropower Clean En-  
5 ergy Future Act”.

1 **SEC. 2. CONFIRMING THAT HYDROPOWER IS AN ESSENTIAL**  
2 **RENEWABLE RESOURCE.**

3 (a) SENSE OF CONGRESS ON THE USE OF HYDRO-  
4 POWER RENEWABLE RESOURCES.—It is the sense of Con-  
5 gress that—

6 (1) hydropower is a renewable resource for pur-  
7 poses of all Federal programs and is an essential  
8 source of energy in the United States; and

9 (2) the United States should protect existing  
10 hydropower resources and increase substantially the  
11 capacity and generation of clean, renewable hydro-  
12 power resources to address a changing climate and  
13 improve environmental quality in the United States.

14 (b) MODIFYING DEFINITIONS OF RENEWABLE EN-  
15 ERGY TO INCLUDE HYDROPOWER.—

16 (1) ENERGY POLICY ACT OF 2005.—Section 203  
17 of the Energy Policy Act of 2005 (42 U.S.C. 15852)  
18 is amended—

19 (A) in subsection (a), by amending para-  
20 graphs (1) through (3) to read as follows:

21 “(1) Not less than 20 percent in fiscal years  
22 2021 through 2022.

23 “(2) Not less than 23 percent in fiscal years  
24 2023 through 2024.

25 “(3) Not less than 25 percent in fiscal year  
26 2025 and each fiscal year thereafter.”; and

1 (B) in subsection (b), by striking para-  
2 graph (2) and inserting the following:

3 “(2) RENEWABLE ENERGY.—The term ‘renew-  
4 able energy’ means energy produced from solar,  
5 wind, biomass, landfill gas, ocean (including tidal,  
6 wave, current, and thermal), geothermal, municipal  
7 solid waste, or hydropower.”.

8 (2) OTHER FEDERAL REGULATIONS, ORDERS,  
9 AND POLICIES.—Not later than 180 days after the  
10 date of enactment of this Act, each Federal depart-  
11 ment and agency shall submit to the Committee on  
12 Energy and Natural Resources of the Senate and  
13 the Committee on Energy and Commerce of the  
14 House of Representatives a report demonstrating  
15 that the department or agency has amended any ap-  
16 plicable regulation, order, or other policy of the de-  
17 partment or agency related to renewable energy to  
18 ensure treatment of hydropower by the Federal Gov-  
19 ernment consistent with the amendments made by  
20 paragraph (1).

21 (c) LICENSES FOR CONSTRUCTION.—Section 4(e) of  
22 the Federal Power Act (16 U.S.C. 797(e)) is amended,  
23 in the first sentence, by inserting “to mitigate the effects  
24 of the applicable project on such reservation, so as to pro-  
25 vide” after “deem necessary” in the first proviso.

1 (d) OPERATION OF NAVIGATION FACILITIES.—Sec-  
2 tion 18 of the Federal Power Act (16 U.S.C. 811) is  
3 amended by adding before the period at the end of the  
4 first sentence “to mitigate effects of the applicable  
5 project”.

6 **SEC. 3. PROTECTING AND PROMOTING SMALL AND NEXT-**  
7 **GENERATION HYDROPOWER PROJECTS.**

8 (a) EXEMPTIONS FROM LICENSING REQUIREMENTS  
9 FOR CERTAIN SMALL HYDROELECTRIC POWER  
10 PROJECTS.—Section 405 of the Public Utility Regulatory  
11 Policies Act of 1978 (16 U.S.C. 2705) is amended by  
12 striking subsection (d) and inserting the following:

13 “(d) EXEMPTIONS FROM LICENSING IN CERTAIN  
14 CASES.—

15 “(1) IN GENERAL.—Subject to paragraphs (2)  
16 and (3), the Commission may in its discretion (by  
17 rule or order), upon application and on a case-by-  
18 case basis or on the basis of classes or categories of  
19 projects, grant an exemption in whole or in part  
20 from the requirements (including the licensing re-  
21 quirements) of part I of the Federal Power Act to  
22 any small hydroelectric power project—

23 “(A) having a proposed installed capacity  
24 of 10,000 kilowatts or less; or

1           “(B) for which a license was issued under  
2 part I of the Federal Power Act and the li-  
3 censee applies for an exemption under this sub-  
4 section, if—

5           “(i) the license was issued after the  
6 date of enactment of the Electric Con-  
7 sumers Protection Act of 1986;

8           “(ii) the Commission determines,  
9 based on information available to the Com-  
10 mission, that continued operation of the  
11 project is not likely to jeopardize the con-  
12 tinued existence of any species listed as a  
13 threatened species or an endangered spe-  
14 cies under the Endangered Species Act of  
15 1973;

16           “(iii) the Commission determines,  
17 based on information available to the Com-  
18 mission, that continued operation of the  
19 project is not likely to result in the de-  
20 struction or adverse modification of an  
21 area designated as critical habitat for any  
22 species listed as a threatened species or an  
23 endangered species under the Endangered  
24 Species Act of 1973; and

1                   “(iv) the project has an installed ca-  
2                   pacity of 15 megawatts or less.

3                   “(2) REQUIREMENTS.—An exemption granted  
4                   under paragraph (1) shall be subject to the same  
5                   limitations (to ensure protection for fish and wildlife  
6                   as well as other environmental concerns) as those  
7                   which are set forth in subsections (c) and (d) of sec-  
8                   tion 30 of the Federal Power Act with respect to de-  
9                   terminations made and exemptions granted under  
10                  subsection (b) of such section 30 and subsections (c)  
11                  and (d) of such section 30 shall apply with respect  
12                  to actions taken and exemptions granted under this  
13                  subsection.

14                  “(3) EFFECTS.—

15                  “(A) IN GENERAL.—Except as provided in  
16                  subparagraph (B), the granting of an exemp-  
17                  tion to a project under this subsection shall in  
18                  no case have the effect of waiving or limiting  
19                  the application (to such project) of the second  
20                  sentence of subsection (b) of this section.

21                  “(B) ENVIRONMENTAL REVIEW.—An ex-  
22                  emption granted under paragraph (1)(B) shall  
23                  be categorically exempt from review under the  
24                  National Environmental Policy Act of 1969.



1           “(A) will produce electricity from a gener-  
2 ator driven by a turbine that converts the po-  
3 tential energy of falling or flowing water;

4           “(B) will utilize turbine or generating tech-  
5 nology, an energy storage method, or a measure  
6 to protect, mitigate, or enhance environmental  
7 resources, that is not in widespread, utility-  
8 scale use in the United States as of the date of  
9 enactment of this section;

10          “(C) will not be, based on information  
11 available to the Commission, likely to jeopardize  
12 the continued existence of any species listed as  
13 a threatened species or an endangered species  
14 under the Endangered Species Act of 1973; and

15          “(D) will not be, based on information  
16 available to the Commission, likely to result in  
17 the destruction or adverse modification of an  
18 area designated as critical habitat for any spe-  
19 cies listed as a threatened species or an endan-  
20 gered species under the Endangered Species  
21 Act of 1973.

22          “(2)       NEXT-GENERATION       HYDROPOWER  
23 PROJECT.—The term ‘next-generation hydropower  
24 project’ means a project that—



1           “(A) is required to be licensed under this  
2           Act;

3           “(B) is not—

4                 “(i) a qualifying conduit hydropower  
5                 facility under section 30; or

6                 “(ii) exempted from licensing under—

7                         “(I) section 30; or

8                         “(II) section 405 of the Public  
9                         Utility Regulatory Policies Act of  
10                         1978; and

11           “(C) is—

12                 “(i) an emerging hydropower tech-  
13                 nology project;

14                 “(ii) a qualifying facility, as defined in  
15                 section 34;

16                 “(iii) a closed-loop pumped storage  
17                 project under section 35;

18                 “(iv) a marine or hydrokinetic project,  
19                 including a project that utilizes a wave  
20                 technology, tidal technology, or in-river  
21                 technology; or

22                 “(v) a hydropower facility within an  
23                 irrigation, water supply, industrial, agricul-  
24                 tural, or other open or closed water con-  
25                 duit system.

1 “(c) EXPEDITED LICENSING PROCESS.—

2 “(1) NOTIFICATION OF INTENT.—

3 “(A) FILING OF NOTIFICATION.—An appli-  
4 cant for any next-generation hydropower project  
5 shall commence the licensing process by filing a  
6 notification of intent with the Commission.

7 “(B) DEADLINE FOR FILING.—Notwith-  
8 standing section 15(b)(1), an applicant for a  
9 next-generation hydropower project shall file a  
10 notification of intent at least 3 years before the  
11 expiration of the existing license, if applicable.

12 “(2) FILING OF APPLICATION.—

13 “(A) GENERAL DEADLINE.—An applicant  
14 for a next-generation hydropower project shall  
15 submit to the Commission an application not  
16 later than 2 years after filing the notification of  
17 intent under paragraph (1).

18 “(B) EXISTING LICENCEE DEADLINE.—  
19 Notwithstanding section 15(c)(1), an applica-  
20 tion for any next-generation hydropower project  
21 shall be filed with the Commission at least 12  
22 months before the expiration of the term of the  
23 existing license, if applicable.

24 “(3) DEADLINE FOR ISSUANCE.—The Commis-  
25 sion shall take final action on a license for a next-

1 generation hydropower project under this section not  
2 later than 3 years after the applicant notifies the  
3 Commission of its intent to file an application for a  
4 license, as provided under paragraph (1).

5 “(d) REQUIREMENTS.—In issuing a license under  
6 this section the Commission and all resource agencies with  
7 regulatory responsibilities in the licensing process shall—

8 “(1) maximize reliance on existing studies and  
9 information and require any person or agency re-  
10 questing a new study or information to demonstrate  
11 that collection of any new data or preparation of any  
12 new study will not jeopardize the Commission’s abil-  
13 ity to meet the licensing deadline under subsection  
14 (c)(3);

15 “(2) consider whether obligations under the Na-  
16 tional Environmental Protection Act of 1969 may be  
17 met through preparation of an environmental assess-  
18 ment or supplementing a previously prepared envi-  
19 ronmental assessment or environmental impact  
20 statement;

21 “(3) eliminate any nonessential meetings, re-  
22 ports, and paperwork, including interim study re-  
23 ports and a draft license application or similar docu-  
24 ment, without compromising effective consultation

1 with, and participation of, Federal and State re-  
2 source agencies, Indian tribe, and the public; and

3 “(4) consider existing project works and other  
4 infrastructure to be included in the environmental  
5 baseline.

6 “(e) RULE.—Not later than 90 days after the date  
7 of enactment of this section, and after consultation with  
8 the task force described in subsection (f), which 90 days  
9 shall include public notice and opportunity for comment,  
10 the Commission shall issue a rule implementing this sec-  
11 tion. Such rule shall include a process, not to exceed 60  
12 days, for the Commission to determine on a case-by-case  
13 basis whether a proposed or existing project qualifies as  
14 a next-generation hydropower project prior to the initi-  
15 ation of the licensing or relicensing process.

16 “(f) TASK FORCE.—The Commission shall convene a  
17 task force, with appropriate Federal and State agencies,  
18 Indian tribes, and licensees under this part represented,  
19 to coordinate the regulatory processes associated with the  
20 authorizations required to license next-generation hydro-  
21 power projects pursuant to this section.

22 “(g) CHOICE OF PROCESS.—An applicant for a  
23 licence for a project described in clause (ii) or (iii) of sub-  
24 section (b)(2)(C) may elect to apply under this section or  
25 under section 34 or 35, as applicable.”.

1 **SEC. 4. IDENTIFYING AND REMOVING MARKET BARRIERS**  
2 **TO HYDROPOWER.**

3 (a) REPORT ON HYDROPOWER BARRIERS.—

4 (1) IN GENERAL.—Not later than 270 days  
5 after the date of enactment of this Act, the Federal  
6 Energy Regulatory Commission, in consultation with  
7 the Secretary of Energy, shall submit to the Com-  
8 mittee on Energy and Natural Resources of the Sen-  
9 ate and the Committee on Energy and Commerce of  
10 the House of Representatives a report—

11 (A) describing any barriers to the develop-  
12 ment and proper compensation of conventional,  
13 storage, conduit, and emerging hydropower  
14 technologies caused by—

15 (i) rules of Transmission Organiza-  
16 tions (as defined in section 3 of the Fed-  
17 eral Power Act (16 U.S.C. 796));

18 (ii) regulations or policies—

19 (I) of the Commission; or

20 (II) under the Federal Power Act  
21 (16 U.S.C. 791a et seq.); or

22 (iii) other Federal and State laws and  
23 policies unique to hydropower development,  
24 operation, and regulation, as compared to  
25 other sources of electricity;

1 (B) containing recommendations of the  
2 Commission for reducing barriers described in  
3 subparagraph (A) across regulatory and market  
4 sectors;

5 (C) identifying and determining any regu-  
6 latory, market, procurement, or cost recovery  
7 mechanisms that would—

8 (i) encourage development of conven-  
9 tional, storage, conduit, and emerging hy-  
10 dropower technologies; and

11 (ii) properly compensate conventional,  
12 storage, conduit, and emerging hydropower  
13 technologies for the full range of services  
14 provided to the electric grid, including—

15 (I) balancing electricity supply  
16 and demand;

17 (II) ensuring grid reliability;

18 (III) providing ancillary services;

19 (IV) contributing to the  
20 decarbonization of the electric grid;  
21 and

22 (V) integrating intermittent  
23 power sources into the grid in a cost-  
24 effective manner; and

1 (D) identifying ownership and development  
2 models that could reduce barriers to the devel-  
3 opment of conventional, storage, conduit, and  
4 emerging hydropower technologies, including—

5 (i) opportunities for risk-sharing  
6 mechanisms and partnerships, including  
7 co-ownership models; and

8 (ii) opportunities to foster lease-sale  
9 and lease-back arrangements with publicly  
10 owned electric utilities.

11 (2) COMMISSION PROCEEDINGS.—The Commis-  
12 sion shall base the report under paragraph (1) on  
13 the findings of the Commission in—

14 (A) Docket No. AD16–20;

15 (B) Docket No. RM16–23; and

16 (C) any other relevant proceedings.

17 (3) TECHNICAL CONFERENCE AND PUBLIC  
18 COMMENT.—In preparing the report under para-  
19 graph (1), the Commission shall solicit public input,  
20 including by convening a technical conference and  
21 providing an opportunity for public submission of  
22 written comments on a draft report.

23 (b) DEFINITIONS.—In this section:

24 (1) ANCILLARY SERVICES.—The term “ancil-  
25 lary services” means the specialty services and func-

1 tions provided by the electric grid that facilitate and  
2 support the continuous flow of electricity so that  
3 supply will continually meet demand, including—

4 (A) autonomous dynamic voltage support;

5 (B) balancing;

6 (C) black start capabilities;

7 (D) frequency control;

8 (E) load following;

9 (F) operating, flexibility, contingency, and  
10 other reserves;

11 (G) reactive power; and

12 (H) synchronized regulation.

13 (2) CONVENTIONAL, STORAGE, CONDUIT, AND  
14 EMERGING HYDROPOWER TECHNOLOGIES.—The  
15 term “conventional, storage, conduit, and emerging  
16 hydropower technologies” means hydropower in all  
17 its forms and modes of operation, including—

18 (A) the use of dams or similar infrastruc-  
19 ture to store water in a reservoir or divert flows  
20 from a waterway, and to release stored or di-  
21 verted water through a turbine to generate elec-  
22 tricity according to any mode of operation, such  
23 as run-of-river, peaking, reregulating, storage,  
24 or load following;



1 (B) a configuration of two water reservoirs  
2 at different elevations that can generate power  
3 as water moves down through a turbine, and  
4 pump water back to the upper reservoir when  
5 the turbine operations are reversed, including  
6 both closed- and open-loop systems;

7 (C) marine and hydrokinetic technologies,  
8 including wave, tidal, and in-river systems;

9 (D) mini- and micro-hydropower facilities  
10 within irrigation, water supply, industrial, agri-  
11 cultural, or other open or closed water conduit  
12 systems; and

13 (E) other facilities that produce electricity  
14 from generators driven by turbines that convert  
15 the potential energy of falling or flowing water.

16 **SEC. 5. MODERNIZING HYDROPOWER LICENSING.**

17 Part I of the Federal Power Act (16 U.S.C. 792 et  
18 seq.) is further amended by adding at the end the fol-  
19 lowing:

20 **“SEC. 38. LICENSING PROCESS COORDINATION AND IM-  
21 PROVEMENT.**

22 “(a) DEFINITION OF FEDERAL AUTHORIZATION.—In  
23 this section, the term ‘Federal authorization’ means any  
24 authorization required under Federal law (including any  
25 license, condition of any license by a Secretary under sec-

1 tion 4(e), prescription submitted by a Secretary under sec-  
2 tion 18, permit, special use authorization, certification,  
3 opinion, consultation, determination, or other approval)  
4 with respect to an application for a license under this part.

5 “(b) DESIGNATION AS LEAD AGENCY.—

6 “(1) IN GENERAL.—The Commission shall act  
7 at the lead agency for purposes of all applicable  
8 Federal authorizations (including for purposes of  
9 complying with the National Environmental Policy  
10 Act of 1969), and for purposes of complying with  
11 any required State or local environmental reviews.

12 “(2) OTHER AGENCIES.—Each Federal, State,  
13 and local government agency considering an aspect  
14 of an application for a Federal authorization shall  
15 coordinate with the Commission and comply with the  
16 deadline established in the schedule developed for  
17 the license under this part, in accordance with the  
18 rule issued under subsection (d)(2)(C).

19 “(c) USE OF EXISTING STUDIES.—

20 “(1) IN GENERAL.—To the maximum extent  
21 practicable and in accordance with the best available  
22 science, the Commission and other Federal and  
23 State agencies with a responsibility for a Federal au-  
24 thorization shall—

1           “(A) use relevant existing studies and  
2           data; and

3           “(B) avoid duplicating current, existing  
4           studies that are applicable to the relevant  
5           project.

6           “(2) DEMONSTRATION.—When requiring any  
7           new study or collection of information, the Commis-  
8           sion or other Federal or State agency with a respon-  
9           sibility for a Federal authorization shall—

10           “(A) explain how the new study or other  
11           information is necessary to support the agency’s  
12           decisionmaking with respect to the Federal au-  
13           thorization;

14           “(B) identify how existing information rea-  
15           sonably available to the agency is inadequate to  
16           support the agency’s decisionmaking with sub-  
17           stantial evidence; and

18           “(C) include an analysis of how the value  
19           of the required new study or other information  
20           outweighs the cost of producing it.

21           “(d) SCHEDULE.—

22           “(1) TIMING FOR ISSUANCE.—It is the sense of  
23           Congress that, except as otherwise provided in this  
24           part, all Federal authorizations required for a  
25           project should be issued within a reasonable time, so

1 as to facilitate a final Commission licensing decision  
2 within 2 years after the date on which the license  
3 application for the project under this part is consid-  
4 ered to be complete by the Commission.

5 “(2) COMMISSION SCHEDULE.—

6 “(A) IN GENERAL.—The Commission, in  
7 accordance with the rule issued under subpara-  
8 graph (C), shall—

9 “(i) establish a schedule for—

10 “(I) all filings and issuances nec-  
11 essary and appropriate for its  
12 issuance of a license issued under this  
13 part; and

14 “(II) the issuance of all Federal  
15 authorizations for the applicable  
16 project; and

17 “(ii) issue such schedule when the  
18 Commission determines that the license ap-  
19 plication for the project is ready for envi-  
20 ronmental analysis.

21 “(B) REQUIREMENTS.—In establishing the  
22 schedule under subparagraph (A), the Commis-  
23 sion shall—

1           “(i) consult and cooperate with the  
2           Federal and State agencies responsible for  
3           a Federal authorization;

4           “(ii) ensure the expeditious comple-  
5           tion of all proceedings relating to a Fed-  
6           eral authorization; and

7           “(iii) comply with applicable schedules  
8           established by Federal law with respect to  
9           a Federal authorization.

10          “(C) RULEMAKING.—

11           “(i) COMMISSION RULEMAKING TO ES-  
12           TABLISH PROCESS TO SET SCHEDULE.—  
13           Not later than 180 days after the date of  
14           enactment of this section, the Commission,  
15           in consultation with appropriate Federal  
16           and State agencies and after providing no-  
17           tice and opportunity for public comment,  
18           shall issue a final rule establishing a proc-  
19           ess for setting a schedule under subpara-  
20           graph (A).

21           “(ii) CONSIDERATIONS.—In issuing a  
22           rule under this subparagraph, the Commis-  
23           sion shall ensure that the schedule for each  
24           Federal authorization—

1 “(I) includes deadlines for ac-  
2 tions by—

3 “(aa) any Federal or State  
4 agency with responsibilities for a  
5 Federal authorization;

6 “(bb) the applicant;

7 “(cc) the Commission; and

8 “(dd) other agencies and  
9 participants in a proceeding;

10 “(II) is developed in consultation  
11 with the applicant and any Federal or  
12 State agency with responsibility for  
13 the applicable Federal authorization;

14 “(III) provides an opportunity  
15 for any Federal or State agency with  
16 responsibility for a Federal authoriza-  
17 tion to identify and resolve issues of  
18 concern, consistent with subsections  
19 (e) and (f);

20 “(IV) complies with applicable  
21 schedules established under Federal  
22 law;

23 “(V) ensures expeditious comple-  
24 tion of all proceedings required under

1 Federal and State law, to the max-  
2 imum extent practicable; and

3 “(VI) facilitates completion of  
4 Federal and State agency studies, re-  
5 views, and any other procedures re-  
6 quired prior to, or concurrent with,  
7 the preparation of the environmental  
8 document of the Commission required  
9 under the National Environmental  
10 Policy Act of 1969, to the maximum  
11 extent practicable.

12 “(3) ADHERENCE TO SCHEDULE.—

13 “(A) IN GENERAL.—The Commission,  
14 Federal, and State agencies with responsibility  
15 for a Federal authorization, the license appli-  
16 cant, and all other agencies and other partici-  
17 pants in proceedings for Federal authorizations  
18 for the project shall meet the deadlines estab-  
19 lished by the schedule developed under para-  
20 graph (2).

21 “(B) EXTENSION OF SCHEDULE DEAD-  
22 LINES.—

23 “(i) FEDERAL AUTHORIZATIONS.—A  
24 Federal or State agency that is unable to  
25 complete its disposition of a Federal au-

1                   thorization by the deadline set forth in the  
2                   schedule established by the Commission  
3                   under paragraph (2) shall, not later than  
4                   30 days prior to such deadline, file for an  
5                   extension with the Commission. The Com-  
6                   mission shall issue a one-time extension of  
7                   up to 90 days to any such Federal or State  
8                   agency upon a demonstration of good  
9                   cause.

10                   “(ii) OTHER EXTENSIONS.—The Com-  
11                   mission may grant extensions requested by  
12                   the license applicant or other licensing par-  
13                   ticipants to facilitate settlement, address  
14                   unforeseen circumstances, or accommodate  
15                   other showings of good cause if the Com-  
16                   mission determines that any such extension  
17                   would reduce the overall time period for  
18                   decisionmaking on required Federal au-  
19                   thorizations for the project, increase the  
20                   administrative efficiency of the processes  
21                   for Federal authorizations, or improve the  
22                   quality of information available to Federal  
23                   and State agencies with a responsibility for  
24                   a Federal authorization.



1                   “(iii) REISSUANCE OF SCHEDULE.—If  
2                   the Commission grants an extension under  
3                   this paragraph, the Commission shall re-  
4                   issue the schedule and applicable deadlines  
5                   to reflect the extension of time granted.

6                   “(C) LIMITATION.—Notwithstanding the  
7                   Commission’s authority to extend the schedule  
8                   as provided in subparagraph (B), the Commis-  
9                   sion shall not grant any extension that would  
10                  increase by 1 year or longer the time period in  
11                  the original schedule issued under paragraph  
12                  (2) for obtaining all Federal authorizations for  
13                  the applicable project.

14                  “(4) FAILURE TO MEET SCHEDULE DEAD-  
15                  LINES.—

16                  “(A) IN GENERAL.—Subject to subpara-  
17                  graph (C), if a Federal or State agency fails to  
18                  complete its disposition of a Federal authoriza-  
19                  tion in accordance with the schedule deadline  
20                  established under paragraph (2) (as may be ex-  
21                  tended under paragraph (3))—

22                         “(i) in the case of a Federal agency,  
23                         \$5,000 of unobligated funds shall be re-  
24                         scinded; or

1                   “(ii) in the case of a State agency,  
2                   \$5,000 of unobligated funds shall be re-  
3                   scinded from Federal fish and wildlife or  
4                   water resources funding programs to the  
5                   State.

6                   “(B) SUBSEQUENT RESCISSION.—Subject  
7                   to subparagraph (C), for each additional week  
8                   after any deadline established by the Commis-  
9                   sion under paragraph (2) (as may be extended  
10                  under paragraph (3) remains uncompleted by a  
11                  Federal or State agency with a responsibility  
12                  for a Federal authorization, an additional re-  
13                  scission of \$5,000 shall occur as provided in  
14                  subparagraph (A).

15                  “(C) MAXIMUM ANNUAL RESCISSION.—For  
16                  each individual Federal authorization for a  
17                  project, the total amounts rescinded under sub-  
18                  paragraphs (A) and (B) shall not exceed, in any  
19                  fiscal year, \$100,000.

20                  “(D) LIMITATION.—No head of a Federal  
21                  or State department or agency shall reprogram  
22                  funds from another Federal account or program  
23                  for the loss of the funds under this paragraph.  
24                  No head of a Federal or State agency shall re-  
25                  port or include any rescinded funds as an ad-

1           ministrative cost for purposes of annual charges  
2           under section 10(e).

3           “(e) INCONSISTENT OR CONFLICTING LICENSE  
4 TERMS.—

5           “(1) CONSULTATION TO RESOLVE INCONSIST-  
6 ENCY OR CONFLICT.—

7           “(A) IN GENERAL.—If a term or condition  
8           of a Federal authorization submitted for inclu-  
9           sion in a license under this part conflicts or is  
10          otherwise inconsistent with another such term  
11          or condition, the Commission shall initiate and  
12          facilitate consultation between the Federal or  
13          State resource agencies submitting conflicting  
14          or inconsistent terms or conditions, to attempt  
15          to resolve the inconsistency or conflict, includ-  
16          ing with any such conditions recommended for  
17          inclusion in the license by the Commission.

18          “(B) MEETINGS.—The consultation period  
19          under this subsection shall extend up to 90  
20          days and shall include at least one technical  
21          conference or similar meeting. The Commission  
22          shall issue notice of any such conference or  
23          other consultation meeting, which shall be open  
24          to participation by the license applicant, other  
25          agencies, and other licensing participants.

1           “(C) AMENDMENT AND REISSUANCE.—If  
2           the agencies submitting the terms or conditions  
3           resolve the inconsistency or conflict, the Com-  
4           mission and other consulting agencies shall set  
5           a reasonable schedule and deadline, that is not  
6           later than 90 days after the conclusion of the  
7           consultation, for the agencies to amend and re-  
8           issue their Federal authorizations to reflect the  
9           resolution, as appropriate.

10           “(2) RESOLUTION OF INCONSISTENCY OR CON-  
11           FLICT.—

12           “(A) STATEMENTS.—If agencies are un-  
13           able to resolve an inconsistency or conflict  
14           under paragraph (1), not later than 30 days  
15           after the conclusion of the consultation process  
16           under such paragraph, the agencies shall sub-  
17           mit to the public record maintained by the  
18           Commission a statement that identifies the in-  
19           consistency or conflict, explains the position  
20           taken by each agency causing the inconsistency  
21           or conflict, and provides an analysis, supported  
22           by information in the public record, of the fac-  
23           tual basis for the inconsistent or conflicting po-  
24           sition taken by each agency.

1           “(B) REFERRAL.—Following such submis-  
2           sion, the Commission shall refer the matter for  
3           resolution as provided in subsection (f).

4           “(f) RESOLUTION OF INTERAGENCY DISPUTES.—

5           “(1) REFERRAL TO OMB.—For any dispute  
6           under subsections (c), (d), or (e) among Federal and  
7           State agencies with responsibility for a Federal au-  
8           thorization, as well as any dispute between any such  
9           agency and the license applicant, the Commission  
10          may, upon its own motion or the request of the head  
11          of any such agency or the license applicant, refer the  
12          matter to the Director of the Office of Management  
13          and Budget.

14          “(2) ACTION BY OMB.—With respect to any dis-  
15          pute referred to the Director under paragraph (1),  
16          the Director, in consultation with the Chair of the  
17          Council on Environmental Quality, shall act as ap-  
18          propriate—

19                  “(A) to ensure a timely participation;

20                  “(B) to ensure a timely decision;

21                  “(C) to mediate the dispute; or

22                  “(D) to refer the matter to the President.

23          “(3) PARTICIPATION.—The license applicant  
24          and other interested participants shall be provided

- 1 the opportunity to participate in the resolution of
- 2 any issues under this subsection.”