

119TH CONGRESS  
1ST SESSION

**S.** \_\_\_\_\_

To amend the Water Infrastructure Finance and Innovation Act of 2014 to establish payment and performance security requirements for projects, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

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Mr. KELLY (for himself and Mr. CRAMER) introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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**A BILL**

To amend the Water Infrastructure Finance and Innovation Act of 2014 to establish payment and performance security requirements for 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 “Water Infrastructure  
5 Subcontractor and Taxpayer Protection Act of 2025”.

1 **SEC. 2. FEDERAL REQUIREMENTS FOR WIFIA ELIGIBILITY**  
2 **AND PROJECT SELECTION.**

3 Section 5028(a)(1)(C) of the Water Infrastructure  
4 Finance and Innovation Act of 2014 (33 U.S.C.  
5 3907(a)(1)(C)) is amended—

6 (1) by striking “The Secretary” and inserting  
7 the following:

8 “(i) FINANCING SECURITY FEA-  
9 TURES.—The Secretary”; and

10 (2) by adding at the end the following:

11 “(ii) CONSTRUCTION PAYMENT AND  
12 PERFORMANCE SECURITY.—

13 “(I) IN GENERAL.—The Sec-  
14 retary or the Administrator, as appli-  
15 cable, shall ensure that the construc-  
16 tion of a project carried out with as-  
17 sistance under this subtitle has pay-  
18 ment and performance security in ac-  
19 cordance with this clause.

20 “(II) USE OF STATE OR LOCAL  
21 REQUIREMENTS.—The Secretary or  
22 the Administrator, as applicable, shall  
23 consider subclause (I) to be satisfied  
24 with respect to the construction of a  
25 project if—

1                   “(aa) applicable State or  
2                   local law requires payment and  
3                   performance security with respect  
4                   to the construction; and

5                   “(bb) the amount of that  
6                   payment and performance secu-  
7                   rity is not less than 50 percent of  
8                   the total construction contract  
9                   amount.

10                   “(III) USE OF BONDS.—With re-  
11                   spect to the construction of a project  
12                   to which no State or local payment  
13                   and performance security require-  
14                   ments apply or for which the amount  
15                   of payment and performance security  
16                   under applicable State or local pay-  
17                   ment and performance requirements  
18                   does not meet the requirement de-  
19                   scribed in subclause (II)(bb), the Sec-  
20                   retary or the Administrator, as appli-  
21                   cable, shall require, for purposes of  
22                   satisfying subclause (I), that the re-  
23                   quirements described in paragraphs  
24                   (1) and (2) of section 3131(b) of title  
25                   40, United States Code, be met.”.