SEC. 209. (a) Section 101(a)(6)(C) of the Water Resources Development Act of 1999, Public Law 106-53, is amended to read as follows:

'(C) MAKEUP OF WATER SHORTAGES CAUSED BY FLOOD CONTROL OPERATION-

'(i) IN GENERAL- The Secretary of the Interior shall enter into, or modify, such agreements with the Sacramento Area Flood Control Agency regarding the operation of Folsom Dam and Reservoir as may be necessary in order that, notwithstanding any prior agreement or provision of law, 100 percent of the water needed to make up for any water shortage caused by variable flood control operation during any year at Folsom Dam, and resulting in a significant impact on recreation at Folsom Reservoir shall be replaced, to the extent the water is available for purchase, by the Secretary of the Interior.

'(ii) COST SHARING- Seventy-five percent of the costs of the replacement water provided under clause (i) shall be paid for on a non-reimbursable basis by the Secretary of the Interior at Federal expense. The remaining 25 percent of such costs shall be provided by the Sacramento Area Flood Control Agency.

'(iii) LIMITATION- To the extent that any funds in excess of the non-Federal share are provided by the Sacramento Area Flood Control Agency, the Secretary shall reimburse such non-Federal interests for such excess funds. Costs for replacement water may not exceed 125 percent of the current average market price for raw water, as determined by the Secretary of the Interior.'.

(b) CONFORMING CHANGE- Section 101(a)(1)(D)(ii) of the Water Resources Development Act of 1996, Public Law 104-303, is amended by striking `during' and all that follows through `thereafter'.
