

MONTANA WATER CONTRACTS EXTENSION ACT OF 2004

SEPTEMBER 28, 2004.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. POMBO, from the Committee on Resources,
submitted the following

R E P O R T

[To accompany H.R. 5009]

[Including cost estimate of the Congressional Budget Office]

The Committee on Resources, to whom was referred the bill (H.R. 5009) to extend water contracts between the United States and specific irrigation districts and the City of Helena in Montana, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE OF THE BILL

The purpose of H.R. 5009 is to extend water contracts between the United States and specific irrigation districts and the City of Helena in Montana, and for other purposes.

BACKGROUND AND NEED FOR LEGISLATION

The Flood Control Acts of 1944 and 1946 authorized the Pick-Sloan Missouri River Basin Program (Program). The Program was created to provide flood control, irrigation, navigation, recreation, preservation and enhancement of fish and wildlife and power generation throughout ten states in the Upper Great Plains region of the United States. In the State of Montana, the Helena Valley Unit, the Crow Creek Pump Unit, and the East Bench Unit were constructed as parts of the Program and are currently owned by the Bureau of Reclamation. Irrigation districts in south-central Montana and the City of Helena, Montana entered into long-term water service contracts with the Bureau of Reclamation for water deliveries from these units.

The Helena Valley Unit delivers 87,000 acre-feet¹ of water from the Missouri River for use by the Helena Valley Irrigation District and the City of Helena, which depends on the unit for 30% of its municipal water needs. The Crow Creek Pump Unit lifts approximately 16,800 acre-feet of water from the Missouri River for delivery to the Toston Irrigation District service area. The East Bench Unit delivers irrigation water from the Beaverhead River to the Clark Canyon Water Supply Company and the East Bench Irrigation District. The contracts for these water deliveries will expire in 2004 and 2005. The irrigation district, the City of Helena and the Bureau of Reclamation have expressed a desire to extend these contracts for up to two more years. H.R. 5009 extends these contracts for up to two years.

Extension of the water contracts will allow these entities appropriate time to negotiate new long-term water contracts. Contract renewal negotiations are usually completed some time before expiration. However, the negotiations for the aforementioned water deliveries have been delayed, in part, due to Endangered Species Act studies on the Upper Missouri River. The information in these studies is considered pertinent to future long-term water service contracts. The two-year contract extensions under H.R. 5009 would allow for continued water service during the renegotiation process, under current terms and conditions, while providing sufficient time to negotiate new contracts.

SUBCOMMITTEE ACTION

Representative Dennis Rehberg (R-MT) introduced H.R. 5009 on September 7, 2004. The bill was referred to the Committee on Resources and within the Committee to the Subcommittee on Water and Power. On September 9, 2004, the Subcommittee held a hearing on the bill. On September 15, 2004, the Committee on Resources met to consider the bill. The Subcommittee was discharged from further consideration of the bill by unanimous consent. No amendments were offered and the bill was ordered favorably reported to the House of Representatives by unanimous consent.

SECTION-BY-SECTION

Section 1. Short title

This section cites the title of the bill as the “Montana Water Contracts Extension Act of 2004.”

Section 2. Extension of water contracts

This section authorizes the Secretary of the Interior to extend five specific water contracts up to two years on the date which each contract expires or the date in which a new long-term water contract is executed.

COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

Regarding clause 2(b)(1) of rule X and clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee on Resources’ oversight findings and recommendations are reflected in the body of this report.

¹One acre-foot equals 327,000 gallons of water.

CONSTITUTIONAL AUTHORITY STATEMENT

Article I, section 8 of the Constitution of the United States grants Congress the authority to enact this bill.

COMPLIANCE WITH HOUSE RULE XIII

1. Cost of Legislation. Clause 3(d)(2) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs which would be incurred in carrying out this bill. However, clause 3(d)(3)(B) of that rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974.

2. Congressional Budget Act. As required by clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974, this bill does not contain any new budget authority, spending authority, credit authority, or an increase or decrease in revenues or tax expenditures.

3. General Performance Goals and Objectives. As required by clause 3(c)(4) of rule XIII, the general performance goal or objective of this bill is to extend water contracts between the United States and specific irrigation districts and the City of Helena, Montana.

4. Congressional Budget Office Cost Estimate. Under clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 403 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for this bill from the Director of the Congressional Budget Office:

H.R. 5009—Montana Water Contract Extension Act of 2004

H.R. 5009 would authorize the Bureau of Reclamation to extend five specific water contracts in the Pick-Sloan Missouri River Basin in Montana. This bill would extend those contracts for two years beyond the current expiration dates or until new long-term contracts are executed, whichever is earlier. CBO estimates that enacting H.R. 5009 would have no significant effect on the federal budget.

Under current law, these five contracts result in an aggregate annual payment to the federal government of about \$125,000 plus reimbursements for operations and maintenance costs. Currently, three of the contracts are due to expire at the end of 2004, and the remaining two contracts will expire at the end of 2005. If those contracts expire, the bureau has the authority to enter into annual interim contracts with the water users (local irrigation districts and the city of Helena, Montana) under terms similar to the present contracts until long-term contracts are executed. Consequently, payments to the federal government under the bill are likely to be similar to the payments that would be received under current law.

H.R. 5009 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments. Enacting this bill would benefit the affected contractors, which are local government entities.

The CBO staff contact for this estimate is Julie Middleton. This estimate was approved by Robert A. Sunshine, Assistant Director for Budget Analysis.

COMPLIANCE WITH PUBLIC LAW 104-4

This bill contains no unfunded mandates.

PREEMPTION OF STATE, LOCAL OR TRIBAL LAW

This bill is not intended to preempt any State, local or tribal law.

CHANGES IN EXISTING LAW

If enacted, this bill would make no changes in existing law.