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108TH CONGRESS }
2d Session }

SENATE

{ REPORT
{ 108-243

TOM GREEN COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

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MARCH 9, 2004.—Ordered to be printed
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Mr. DOMENICI, from the Committee on Energy and Natural
Resources, submitted the following

R E P O R T

[To accompany H.R. 856]

The Committee on Energy and Natural Resources, to which was referred the Act (H.R. 856) to authorize the Secretary of the Interior to revise a repayment contract with the Tom Green County Water Control and Improvement District No. 1, San Angelo project, Texas, and for other purposes, having considered the same, reports favorably thereon without amendment and recommends that the Act do pass.

PURPOSE

The purpose of H.R. 856 is to authorize the Secretary of the Interior to revise a repayment contract with the Tom Green County Water Control and Improvement District No. 1, San Angelo project, Texas.

BACKGROUND AND NEED

Due to current drought conditions in the area of Texas serviced by the Tom Green County Water Control and Improvement District No. 1, the District has limited quantities of water to deliver to users and limited revenues to repay its required repayment obligation. The Bureau of Reclamation does not have general authority to extend the District's repayment period without an Act of Congress. By extending the repayment period, the annual payments will remain constant and allow for repayment of the remaining obligation, albeit over a longer time period.

LEGISLATIVE HISTORY

H.R. 856 was introduced by Representative Stenholm on February 13, 2003. A similar bill, H.R. 4910, was introduced in the 107th Congress. H.R. 856 passed the House of Representatives on May 14, 2003, by a voice vote on a motion to suspend the rules, and was referred to the Committee on Environment and Public Works on May 15, 2003. On June 19, 2003, the bill was discharged and referred to the Committee on Energy and Natural Resources. The Subcommittee on Water and Power held a hearing on H.R. 856 on September 23, 2003. S. Hrg. 108–211. At the business meeting on February 11, 2004, the Committee on Energy and Natural Resources ordered H.R. 856 favorably reported.

COMMITTEE RECOMMENDATION AND TABULATION OF VOTES

The Committee on Energy and Natural Resources, in open business session on February 11, 2004, by a unanimous vote of a quorum present, recommends that the Senate pass H.R. 856.

The roll call vote on reporting the measure was 23 yeas and 0 nays, as follows:

YEAS	NAYS
Mr. Domenici	
Mr. Nickles	
Mr. Craig	
Mr. Campbell*	
Mr. Thomas	
Mr. Alexander	
Ms. Murkowski	
Mr. Talent	
Mr. Burns	
Mr. Smith*	
Mr. Bunning	
Mr. Kyl*	
Mr. Bingaman	
Mr. Akaka	
Mr. Dorgan*	
Mr. Graham*	
Mr. Wyden*	
Mr. Johnson*	
Ms. Landrieu*	
Mr. Bayh*	
Mrs. Feinstein*	
Mr. Schumer*	
Ms. Cantwell	

*Indicates vote by proxy.

SECTION-BY-SECTION ANALYSIS

Section 1 authorizes the Secretary of the Interior to revise a repayment contract with the Tom Green County Water Control and Improvement District No. 1, by extending the repayment period from 40 years to 50 years.

COST AND BUDGETARY CONSIDERATIONS

The following estimate of costs of this measure has been provided by the Congressional Budget Office.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, February 25, 2004.

Hon. PETE V. DOMENICI,
Chairman, Committee on Energy and Natural Resources,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 856, an act to authorize the Secretary of the Interior to revise a repayment contract with the Tom Green County Water Control and Improvement District No. 1, San Angelo project, Texas, and for other purposes.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Julie Middleton.

Sincerely,

DOUGLAS HOLTZ-EAKIN,
Director.

Enclosure.

H.R. 856—An act to authorize the Secretary of the Interior to revise a repayment contract with the Tom Green County Water Control and Improvement District No. 1, San Angelo project, Texas, and for other purposes

H.R. 856 would authorize the Secretary of the Interior through the Bureau of Reclamation to revise its repayment contract with the Tom Green County Water Control and Improvement District in Texas for reimbursable construction costs of the San Angelo project. This act would extend the repayment period from 40 years to 50 years.

CBO estimates that H.R. 856 would have no significant impact on the federal budget. The district has been unable to make regular payments of the reimbursable construction costs due to a severe drought. With an extension of the repayment period, the district would be able to make smaller payments to the federal government over a longer period of time. Consequently, CBO estimates that implementing this act would result in a loss of less than \$1 million in offsetting receipts over the 2004–2019 period, followed by an increase of the same amount over the 2020–2031 period.

H.R. 856 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.

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

REGULATORY IMPACT EVALUATION

In compliance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee makes the following evaluation of the regulatory impact which would be incurred in carrying out H.R. 856. The bill is not a regulatory measure in the sense of imposing Government-established standards or significant economic responsibilities on private individuals and businesses.

No personal information would be collected in administering the program. Therefore, there would be no impact on personal privacy. Little, if any, additional paperwork would result from the enactment of H.R. 856, as ordered reported.

EXECUTIVE COMMUNICATIONS

The testimony provided by the Department of the Interior at the Subcommittee hearing follows:

STATEMENT OF MICHAEL GABALDON, DIRECTOR, POLICY, MANAGEMENT, AND TECHNICAL SERVICES, U.S. BUREAU OF RECLAMATION, DEPARTMENT OF THE INTERIOR

My name is Michael Gabaldon and I am the Director, Policy, Management, and Technical Services of the Bureau of Reclamation. I am pleased to present the Department's views on H.R. 856 which authorizes the Secretary to revise a repayment contract with the Tom Green County Water Control and Improvement District No. 1 (District) at Reclamation's San Angelo Project, Texas.

The San Angelo Project (Project) was authorized by the Congress in 1957 to provide flood control, municipal and industrial water for the City of San Angelo, recreation, fish and wildlife, and supplemental irrigation supplies to the District. The Project has been beset by chronic drought conditions since it was constructed in 1963. These arid conditions have resulted in Reclamation granting a total of seven deferments of the annual installments due on the District's forty-year repayment contract. Due to the continued drought the District has requested a partial deferment for the 2003 annual installment. Since 1997, four deferments for the District's annual payment to the United States have been granted because of the unavailability of irrigation water. The District has not taken any water from the reservoir since 1998. H.R. 856 provides some immediate financial relief to the District by extending its contract with Reclamation by ten years and thereby reducing its annual payments to the United States by approximately \$70,000 per year. Extension of the repayment period will not likely be a permanent solution to the water scarcity facing this project. However, taking this action will give Reclamation some time to assess the project's long-term challenges and will aid the District by providing needed repayment relief.

Therefore, the Department supports H.R. 856.

Mr. Chairman, thank you again for the opportunity to present the Department's views on H.R. 856.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, the Committee notes that no changes in existing law are made by the Act H.R. 856, as ordered reported.