

MADERA WATER SUPPLY AND GROUNDWATER
ENHANCEMENT PROJECT ACT

JANUARY 31, 2006.—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. 3897]

[Including cost estimate of the Congressional Budget Office]

The Committee on Resources, to whom was referred the bill (H.R. 3897) to authorize the Secretary of the Interior, acting through the Bureau of Reclamation to enter into a cooperative agreement with the Madera Irrigation District for purposes of supporting the Madera Water Supply and Groundwater Enhancement Project, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Madera Water Supply and Groundwater Enhancement Project Act”.

SEC. 2. DEFINITIONS.

(a) The term “District” means the Madera Water District, Madera, California.

(b) The term “Project” means the “Madera Water Supply and Enhancement Project”.

(c) The term “Secretary” means the Secretary of the United States Department of the Interior.

SEC. 3. STUDY AND REPORT.

(a) **STUDY.**— Pursuant to the Reclamation Act of 1902 (32 Stat. 388) and Acts amendatory thereof and supplemental thereto, the Secretary, acting through the Commissioner of the Bureau of Reclamation, and in consultation and cooperation with the District, is authorized to conduct a study to determine the feasibility of constructing the Project.

(b) **REPORT.**—

(1) **TRANSMISSION.**—Upon completion of the study authorized by subsection (a), the Secretary shall transmit to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report containing the results of the study, together with recommendations regarding any recommendation to construct the project.

(2) **USE OF AVAILABLE MATERIALS.**—In developing the report under this section, the Secretary shall make use of reports and any other relevant information supplied by the District.

(3) **DEADLINE.**—No later than June 30, 2006, the Secretary shall complete the report and transmit the report to Congress pursuant to subsection (b)(2).

(c) **COST SHARE.**—

(1) **FEDERAL SHARE.**—The Federal share of the costs of the feasibility study authorized by this section shall not exceed 50 percent of the total cost of the study.

(2) **IN-KIND CONTRIBUTION FOR NON-FEDERAL SHARE.**—The Secretary may accept as part of the non-Federal cost share the contribution of such in-kind services by the District as the Secretary determines will contribute to the conduct and completion of the study.

SEC. 4. COOPERATIVE AGREEMENT.

All planning, design, and construction of the Project authorized by this Act shall be undertaken in accordance with a cooperative agreement between the Secretary and the District for the Project. Such cooperative agreement shall set forth in a manner acceptable to the Secretary and the District the responsibilities of the District for participating in the study and related environmental review, including, but not limited to:

- (1) preparation of an assessment of the need for the project;
- (2) preparation of feasibility and reconnaissance studies;
- (3) environmental review;
- (4) engineering and design;
- (5) construction; and
- (6) the administration of contracts pertaining to any of the foregoing.

SEC. 5. AUTHORIZATION FOR THE MADERA WATER SUPPLY AND ENHANCEMENT PROJECT.

(a) **AUTHORIZATION OF CONSTRUCTION.**—Upon submission of feasibility report described in section 3 and a statement by the Secretary that the project is feasible, the Secretary, acting pursuant to the Federal reclamation laws (Act of June 17, 1902; 32 Stat. 388), and Acts amendatory thereof or supplementary thereto, as far as those laws are not inconsistent with the provisions of this Act, is authorized to enter into a cooperative agreement through the Bureau with the District for the support of the design, and construction of the Project.

(b) **COST SHARE.**—The Federal share of the capital costs of the Project shall not exceed 25 percent of the total cost. Capital costs incurred by the District prior to the date of the enactment of this Act shall be considered a portion of the non-Federal cost share.

(c) **IN-KIND SERVICES.**—In-kind services performed by the District shall be considered a part of the local cost share to complete the Project authorized by subsection (a).

(d) **CREDIT FOR NON-FEDERAL WORK.**—The District shall receive credit toward the non-Federal share of the cost of the Project for—

- (1) reasonable costs incurred by the District as a result of participation in the planning, design, and construction of the Project; and
- (2) for the fair market value of lands used or acquired by the District for the Project.

(e) **LIMITATION.**—The Secretary shall not provide funds for the operation or maintenance of the Project authorized by this section. The operation and maintenance of the Project shall be the sole responsibility of the District.

(f) **PLANS AND ANALYSES CONSISTENT WITH FEDERAL LAW.**—Before obligating funds for design or construction under this section, the Secretary shall work cooperatively with the District to use, to the extent possible, plans, designs, and engineering and environmental analyses that have already been prepared by the District for the Project. The Secretary shall ensure that such information as is used is consistent with applicable Federal laws and regulations.

(g) **TITLE; RESPONSIBILITY; LIABILITY.**—Nothing in this section or the assistance provided under this section shall be construed to transfer title, responsibility or liability related to the Project to the United States.

(h) **AUTHORIZATION OF APPROPRIATION.**—There is authorized such sums as may be appropriated to carry out this section.

SEC. 6. SUNSET.

The authority of the Secretary to carry out any provisions of this Act shall terminate 10 years after the date of the enactment of this Act.

PURPOSE OF THE BILL

The purpose of H.R. 3897 is to authorize the Secretary of the Interior, acting through the Bureau of Reclamation, to enter into a cooperative agreement with the Madera Irrigation District for purposes of supporting the Madera Water Supply and Groundwater Enhancement Project.

BACKGROUND AND NEED FOR LEGISLATION

The Madera Water District is in the process of developing the Madera Water Supply and Groundwater Enhancement Project in an effort to help drought-proof Central California's San Joaquin Valley. The District recently purchased a 13,648-acre ranch which would be used for the Project. Under this proposed project, pumping facilities would convey District water to the ranch, where the water would be allowed to percolate and form a "water bank" beneath the ranch. Banked water could be pumped and used locally when supply is low, providing a key regional water supply benefit. The Project would help the District in its efforts to conserve and more efficiently use its local and Central Valley Project water supplies.

H.R. 3897 would authorize the Bureau of Reclamation to conduct a feasibility study of the proposed project. The agency is expected to rely on previously conducted engineering and environmental studies as it undertakes the study. If the Bureau of Reclamation finds the Project feasible (as defined under Bureau of Reclamation principles and guidelines), the bill authorizes the agency to participate in the Project's construction. The federal cost share would be 50 percent for the feasibility study and 25 percent for construction.

COMMITTEE ACTION

H.R. 3897 was introduced on September 27, 2005, by Congressman George Radanovich (R-CA). The bill was referred to the Committee on Resources, and within the Committee to the Subcommittee on Water and Power. On November 16, 2005, the Full Resources Committee met to consider the bill. The Subcommittee on Water and Power was discharged from further consideration of the bill by unanimous consent. Congressman George Radanovich offered an amendment to place a ten-year sunset on the bill's authorization. The amendment was adopted by unanimous consent. No further amendments were offered and the bill, as amended, was ordered favorably reported to the House of Representatives by unanimous consent.

SECTION-BY-SECTION ANALYSIS*Section 1. Short title*

This section cites the bill as the "Madera Water Supply and Groundwater Enhancement Project Act."

Section 2. Definitions

This section defines various terms in the bill.

Section 3. Study and report

This section authorizes the Secretary of the Interior to conduct a study determining the feasibility of constructing the Project and directs the Secretary to transmit the study results and recommendations to Congress by June 30, 2006. It stipulates that the federal share of the cost of the feasibility study shall not exceed 50 percent of the total cost, and that in-kind services, including reports, studies and other relevant information provided by the District, may be accepted as part of the non-federal share.

Section 4. Cooperative agreement

This section directs the completion of a cooperative agreement between the Secretary and the Madera Water District that establishes responsibilities of the District for participating in the study and related environmental review.

Section 5. Authorization for the Madera Water Supply and Enhancement Project

This section authorizes the Secretary to enter into a cooperative agreement with the District for design and construction of the Project, once the feasibility report is completed and the Project is deemed feasible by the Secretary of the Interior. It authorizes "such sums as may be appropriated" to construct the Project. The federal share of capital costs of the Project shall not exceed 25 percent of total costs. In-kind services, reasonable costs associated with planning, design and construction, and the cost of land acquired for the Project by the District will be considered part of the non-federal cost share. Capital costs incurred by the District prior to enactment of this legislation shall be considered as part of the non-federal cost share. Operation and maintenance of the Project will be the sole responsibility of the District. The section stipulates that nothing authorized in this section shall be construed to transfer title, responsibility or liability of the Project to the United States.

Section 6. Sunset

This section limits the federal authorization to ten years.

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.

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 in-

cluded 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 of the Rules of the House of Representatives, the general performance goal or objective of this bill, as ordered reported, is to authorize the Secretary of the Interior, acting through the Bureau of Reclamation to enter into a cooperative agreement with the Madera Irrigation District for purposes of supporting the Madera Water Supply and Groundwater Enhancement Project.

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. 3897—Madera Water Supply and Groundwater Enhancement Project Act

Summary: H.R. 3897 would authorize the Bureau of Reclamation to participate in the study, design, and construction of an underground water storage facility in cooperation with the Madera Irrigation District in California. The Federal share of the cost of the feasibility study could not exceed 50 percent; and the Federal share of potential costs for the facility could not exceed 25 percent.

Assuming appropriation of the necessary funds, CBO estimates that implementing H.R. 3897 would cost \$12 million over the 2006–2010 period. Enacting this bill would not affect direct spending or revenues.

H.R. 3897 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on State, local, or tribal governments. The bill would authorize the design and construction of water projects that would benefit the Madera Irrigation District. Any costs that the district might incur, including matching funds, would result from complying with conditions for receiving Federal assistance.

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 3897 is shown in the following table. The costs of this legislation fall within budget function 3000 (natural resources and environment).

	By fiscal year, in millions of dollars—				
	2006	2007	2008	2009	2010
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Estimated Authorization Level	1	4	3	3	1
Estimated Outlays	1	3	3	3	2

Basis of estimate: For this estimate, CBO assumes that H.R. 3897 will be enacted near the start of calendar year 2006 and that

the necessary amounts will be appropriated over the 2006–2010 period. Based on historical spending patterns of similar projects, CBO estimates that implementing this bill would cost \$12 million over that period.

H.R. 3897 would authorize the Bureau of Reclamation to construct a water recharge and recovery system for the Madera Irrigation District in central California’s San Joaquin Valley. The legislation would limit the Federal cost shares to 50 percent of the total costs of the study and 25 percent of the project’s total cost. According to the Bureau of Reclamation, the total cost of the study and project would be about \$41 million with a total Federal cost of about \$12 million. Based on information from the bureau, CBO expects that it would take approximately 5 years to complete the project. (The feasibility study would likely be completed over the next 2 years, with construction beginning in 2007 or 2008, assuming that the study results in a decision to proceed.) For this estimate, CBO assumes that funds will be appropriated in installments over the next 5 years to complete the project.

Intergovernmental and private-sector impact: H.R. 3897 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on State, local, or tribal governments. The bill would authorize the design and construction of water projects that would benefit the Madera Irrigation District. Any costs the district might incur, including matching funds, would result from complying with conditions for receiving Federal assistance.

Estimate prepared by: Federal Costs: Matthew Pickford; Impact on State, Local, and Tribal Governments: Lisa Ramirez-Branum; Impact on the Private Sector: Craig Cammarata.

Estimate approved by: Peter H. Fontaine, Deputy 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.

