Committee on Natural Resources

Rob Bishop, Chairman Markup Memorandum

October 5, 2015

To: All Natural Resources Committee Members

From: Majority Committee Staff, Subcommittee on Water, Power and Oceans

(x5-8331)

Markup: Markup of H.R. 1107 (Rep. Paul Gosar), To require the Secretary of the

Interior to submit to Congress a report on the efforts of the Bureau of

Reclamation to manage its infrastructure assets.

October 7 and 8, 2015

H.R. 1107 (Rep. Paul Gosar), "The Bureau of Reclamation Transparency Act"

Bill Summary:

H.R. 1107, "The Bureau of Reclamation Transparency Act," is a bipartisan bill that requires the Secretary of the Interior to publish reports detailing rehabilitation needs at Bureau of Reclamation facilities.

Cosponsors:

Reps. Mark Amodei (R-NV), Joe Barton (R-TX), Matt Cartwright (D-PA), Mike Coffman (R-CO), Jeff Denham (R-CA), Trent Franks (R-AZ), John Garamendi (D-CA), Christopher Gibson (R-NY), Cresent Hardy (R-NV), Joe Heck (R-NV), Jared Huffman (D-CA), Ann Kirkpatrick (D-AZ), Ted Lieu (D-CA), Cynthia Lummis (R-WY), Tom McClintock (R-CA), Martha McSally (R-AZ), Jeff Miller (R-FL), Grace Napolitano (R-CA), Stevan Pearce (R-NM), Mark Pocan (D-WI), Matt Salmon (R-AZ), Krysten Sinema (D-AZ), Scott Tipton (R-CO), and Ryan Zinke (R-MT).

Background:

The U.S. Bureau of Reclamation (Reclamation) is the nation's largest wholesale water supplier, providing 1 out of 5 (or 140,000) Western farmers with irrigation water for 10 million farmland acres that produce 60 percent of the nation's vegetables and one quarter of its fresh fruit and nut crops. The federal agency also delivers 10 trillion gallons of water to more than 31 million people annually and is the second largest domestic producer of hydropower. Reclamation's assets include 475 dams and 53 hydroelectric power plants. With much of this infrastructure built over 50 years ago, maintaining these assets is critical for safety and economic security. Despite this need, some believe that Reclamation has not

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¹ http://www.usbr.gov/main/about/fact.html

 $^{^2}$ Td

been transparent in providing the extent of its maintenance backlog. As an example, U.S. Senator John Barrasso (R-WY) made the following remarks during a 2014 Senate Water and Power Subcommittee hearing on this issue:

"I am very concerned that the Interior Department and its leadership have been less than forthcoming about the depth and scope of this problem....I still have not been able to get the information as to how these figures have been constructed, nor have I been able to get a complete written list of the complete maintenance backlog for my home state of Wyoming."

Reclamation operates a Facility Maintenance and Rehabilitation Program that identifies the needs of both its "transferred works" – infrastructure owned by Reclamation but operated by local project sponsors – and its "reserved works" – projects owned and operated solely by Reclamation. However, such reviews are not typically made public and exclude project specific needs, even though other federal agencies provide such detail.⁴ As an example, a Congressional Research Service policy analyst stated last year:

"...some agencies, such as the Environmental Protection Agency and the Department of Transportation, publish "need assessments" that include project level estimates for needed repairs and upgrades...the availability of estimates for individual Reclamation facilities varies, and are generally not compiled or regularly updated in a centralized, public record." 5

H.R. 1107 requires Reclamation to compile an Infrastructure Needs Assessment Report every two years as part of its existing Asset Management Plan reporting process. In response to the aforementioned criticism and prior legislation, Reclamation is making efforts to be more transparent on its infrastructure. In testimony delivered on this bill in June 2015, an agency official indicated that H.R. 1107 is consistent with its draft "Infrastructure Investment Strategy".

Major Provisions of H.R. 1107:

Section 4 directs the Interior Secretary (Secretary) to submit a report on Reclamation's reserved works. The report shall include a detailed assessment of major repair and rehabilitation needs, with a cost estimate for completion of each item and a categorical rating. This section also allows the Secretary to exclude sensitive or classified information from the report, and requires consultation with the Secretary of the Army in preparing the Asset Management Report.

Section 5 directs the Interior Secretary to coordinate with non-federal entities responsible for the operation and maintenance of transferred works in developing reporting requirements for Asset Management Reports, and requires the Secretary to develop and

⁵ <u>Id</u>.

³ Statement by U.S. Senator John Barrasso, Senate Committee on Energy and Mineral Resources, 113th Cong., Legislative Hearing on S. 1800, Feb. 27, 2014

⁴ Submitted testimony by Mr. Charles V. Stern, Specialist in Natural Resources Policy for the Congressional Research Service, Senate Committee on Energy and Natural Resources, 113th Cong., Legislative Hearing on S. 1800, Feb. 27, 2014, p. 2

implement a rating system for transferred works that incorporated the same rating system for reserved works.

Cost:

The Congressional Budget Office has not completed a cost estimate of this bill at this time; however, in its cost estimate of a nearly identical bill (S. 593), CBO indicated that implementing the provisions would cost \$2 million in discretionary funding over the 2016-2020 period.⁶

Administration Position:

The Administration testified in support of this bill.⁷

Anticipated Amendments:

Rep. Gosar may offer an amendment that is technical and clarifying in nature.

⁶ https://www.cbo.gov/publication/50798

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⁷ Submitted testimony of the Honorable Estevan López, Commissioner for the Bureau of Reclamation, to the House Subcommittee on Water, Power and Oceans, 114th Cong., Legislative Hearing on H.R 1107, June 25, 2015, p. 1