

Statement of Tom Iseman
Deputy Assistant Secretary for Water and Science
U.S. Department of the Interior
Before the
U.S. House of Representatives
Committee on Natural Resources
Subcommittee on Water, Power and Oceans
On
HR 2993 (Rep. Doris Matsui) – The Water Recycling Acceleration Act of 2015
April 20, 2016

Chairman Fleming, Ranking Member Huffman and members of the Subcommittee, I am Tom Iseman, Deputy Assistant Secretary for Water and Science at the U.S. Department of the Interior (Department). I am pleased to provide the views of the Department on HR 2993, the Water Recycling Acceleration Act of 2015. With consideration for the points described in my statement, the Department supports the goals of HR 2993.

Title XVI of Public Law 102-575 created the Reclamation Wastewater and Groundwater Study and Facilities Act (43 U.S.C. 390h et seq.). That statute authorizes the Department, acting through the Bureau of Reclamation (Reclamation), to investigate opportunities for the reuse of municipal, industrial, and agricultural wastewater, and fund the planning, design, and construction of demonstration and permanent facilities. The statute has been amended several times, and, in general, Title XVI projects are funded at 75 percent or greater local funding, with a federal cost-share of no more than \$20 million or 25 percent of the total project cost. Some projects, including six of the original Title XVI projects, have been authorized with a Federal cost share that exceeds \$20 million. And while Congress provided blanket authorization for the funding of feasibility studies and demonstration projects under Title XVI, the statute and subsequent amendments contemplate that federal funding for actual project design and construction must be individually authorized.

Today, Reclamation administers Title XVI as a competitive grant program incorporated into the WaterSMART Program. Funding opportunity announcements (FOAs) are posted every year and project sponsors apply for finite amounts of planning, design, or construction funding that are awarded once appropriations are received. Eligibility criteria and prioritization measures for the award of funding are public and part of every FOA, and the total funding request has exceeded the available appropriations in every year since 2011. Applicant projects must be authorized for construction funding by Congress.

HR 2933 would remove that requirement by amending Title XVI to state that any project for which funding “may otherwise be made available” shall not be required to have been previously authorized by law for such funding. The bill also directs that priority for the award of funding be given to projects located in areas experiencing drought, or having been a designated disaster area between 2014 and 2018. Section 2 also provides for criteria to be applied to applicant entities.

The Department believes it is timely to examine expanding program eligibility to any projects that are determined to be feasible and which compete well under Reclamation’s existing

prioritization criteria. These criteria were submitted for public review in 2010, and are consistent with the program's statutory origins in Public Law 102-575.

Title XVI is an integral part of the Department's efforts through the WaterSMART Program to increase water supply sustainability. Over the past 20 years, projects have been developed under the Title XVI program that are now contributing an estimated 369,000 acre-feet of water annually to address water demands in drought-stricken states like California. This has reduced demands on the oversubscribed Colorado River and Sacramento-San Joaquin Bay Delta, and proven to be one tool in building regional resilience to drought.

The Department recognizes that a wider base of Title XVI applicants potentially brings more merit to the limited pool of projects eligible for funding. With no new Title XVI projects having been authorized since 2009, it is possible that newer projects can further enhance the effectiveness of Title XVI in addressing drought, reducing dependency on imported water, and making local water supplies more reliable.

Having said that, it must be noted that Title XVI is an oversubscribed program, and as stated above, each year brings many more applicants for Reclamation funding than can be accommodated in this era of limited budgets and federal deficits. There are presently 53 authorized Title XVI projects, 21 of which are active projects that have not yet received their full Federal cost share. If HR 2933 were to be enacted, it should be made clear to project sponsors that competition for limited resources would increase and the dollar value of awards per-project may need to be revisited.

This concludes my written statement. I would be pleased to answer questions at the appropriate time.