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106TH CONGRESS *1st Session* | SENATE | REPORT 106–96

DESCHUTES RESOURCES CONSERVANCY REAUTHORIZATION ACT OF 1999

JUNE 24, 1999.—Ordered to be printed

Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, submitted the following

REPORT

[To accompany S. 1027]

The Committee on Energy and Natural Resources, to which was referred the bill (S. 1027) to reauthorize the participation of the Bureau of Reclamation in the Deschutes Resources Conservancy, and for other purposes, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

PURPOSE OF THE MEASURE

The purpose of S. 1027 is to authorize the Bureau of Reclamation to continue participation in the Deschutes Resources Conservancy from 2004 through 2006. It would also increase the appropriations ceiling from $1 million to $2 million annually.

BACKGROUND AND NEED

The Deschutes Resources Conservancy was authorized in 1996 as a five-year pilot project designed to achieve local consensus on projects to improve ecosystem health in the Deschutes River basin. The Deschutes drains Oregon's high desert along the eastern front of the Cascade Mountains and eventually flows into the Columbia River. The river is used for recreation and irrigation. The Deschutes basin also contains hundreds of thousands of acres of productive forest and rangelands, serves the treaty fishing and water rights of The Confederated Tribes of Warm Springs, and has Oregon's largest non-federal hydroelectric project.

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Projects funded through the Conservancy include: piping irrigation district delivery systems to prevent water loss; securing water rights for instream flows to restore flows to Squaw Creek; providing riparian fences to protect riverbanks; working with private timberland owners to restore riparian and wetlands areas; and seeking donated water rights to enhance instream flows in the Deschutes River basin.

The existing authorization provides up to $1 million each year for projects. Funding is provided through the Bureau of Reclamation, the lead federal agency. S. 1027 would reauthorize the five-year pilot project from 2002 to 2006 and increase the authorization ceiling to $2 million annually.

LEGISLATIVE HISTORY

S. 1027 was introduced by Senators Smith and Wyden on May 12, 1997. The Subcommittee on Water and Power held a hearing on S. 1027 on May 27, 1999. At the business meeting on June 16, 1999, the Committee on Energy and Natural Resources ordered S. 1027 favorably reported, without amendment.

COMMITTEE RECOMMENDATIONS AND TABULATION OF VOTES

The Committee on Energy and Natural Resources, in open business session on June 16, 1999, by a unanimous vote of a quorum present, recommends that the Senate pass S. 1027 as described herein.

SUMMARY OF S. 1027

S. 1027 authorizes $2,000,000 for each of fiscal years 2002 through 2006 for the Deschutes Resources Conservancy.

COST AND BUDGET CONSIDERATIONS

The following estimate of the cost of this measure has been provided by the Congressional Budget Office:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 21, 1999.

Hon. FRANK H. MURKOWSKI,
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 S. 1027, the Deschutes Resources Conservancy Reauthorization Act of 1999.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Kim Cawley (for federal costs) and Marjorie Miller (for the state and local impact).

Sincerely,

BARRY B. ANDERSON
(For Dan L. Crippen, Director).

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

S. 1027—Deschutes Resources Conservancy Reauthorization Act of 1999

Summary: S. 1027 would authorize the appropriation of $10 million over the 2002–2006 period for ecosystem restoration in the Deschutes River Basin. Assuming appropriation of the authorized amounts, CBO estimates that implementing S. 1027 would result in additional discretionary spending of $5 million over the 2002–2004 period, with the remaining $5 million to be spent after 2004. The legislation would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. S. 1027 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). State and local governments would probably incur some costs to match the funds authorized by this bill, but these costs would be voluntary.

Estimated cost to the Federal Government: The estimated budgetary impact of S. 1027 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment). For the purposes of this estimate, CBO assumes that the amounts authorized in the bill will be appropriated for each year and that outlays will follow the historical spending pattern for similar activities.

	By fiscal year, in millions of dollars—					
	1999	2000	2001	2002	2003	2004
SPENDING SUBJECT TO APPROPRIATION						
Spending Under Current Law:						
Authorization Level [1]	1	1	1	0	0	0
Estimated Outlays	[2]	1	1	[2]	[2]	0
Proposed Changes:						
Authorization Level	0	0	0	2	2	2
Estimated Outlays	0	0	0	1	2	2
Spending Under S. 1027:						
Authorization Level [1]	1	1	1	2	2	2
Estimated Outlays	[2]	2	1	2	2	2

[1] The 1999 level is the amount appropriated for that year.
[2] Less than $500,000.

Pay-as-you-go considerations: None.

Estimated impact on State, local, and tribal governments: S. 1027 contains no intergovernmental mandates as defined in UMRA. State and local governments would probably incur some costs to match the funds authorized by this bill, but these costs would be voluntary. Under current law, all federal expenditures for Deschutes Basin ecosystem restoration projects must be matched by an equal amount of nonfederal contributions, including in-kind contributions. This requirement would apply to the funds authorized by this bill.

Estimated impact on the private sector: This bill contains no new private-sector mandates as defined in UMRA.

Estimate prepared by: Federal costs: Kim Cawley; impact on State, local, and tribal governments: Marjorie Miller.

Estimate approved by: Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.s

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 S. 1027. 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 S. 1027, and ordered reported.

EXECUTIVE COMMUNICATIONS

On June 18, 1999, the Committee on Energy and Natural Resources requested legislative reports from the Department of the Interior and the Office of Management and Budget setting forth Executive agency recommendations on S. 1027. These reports had not been received at the time the report on S. 1027 was filed. When the reports become available, the Chairman will request that they be printed in the Congressional Record for the advice of the Senate. The testimony provided by the Department of the Interior at the Subcommittee hearing follows:

STATEMENT OF PATRICIA J. BENEKE, ASSISTANT SECRETARY FOR WATER AND SCIENCE, DEPARTMENT OF THE INTERIOR

My name is Patricia J. Beneke, I am Assistant Secretary for Water and Science within the U.S. Department of the Interior. The Bureau of Reclamation is one of the bureaus that I oversee. I am pleased to provide the Administration testimony on S. 1027.

S. 1027 reauthorizes the participation of the Bureau of Reclamation in the Deschutes Resources Conservancy and raises that ceiling to $2,000,000 for each fiscal year through 2006. The Department could support this legislation if amended to reduce the annual funding authorization to extend his pilot project.

Mr. Chairman, in 1996, Congress adopted the Deschutes Basin Act of 1996 (P.L. 104–208, Division B) as a five year pilot project designed to achieve local consensus for on-the-ground projects to improve the ecosystem in the Deschutes River basin. Reclamation operates the Deschutes Project in this basin so it makes sense for it to be a partner in the Deschutes restoration activities. As a part of that bill, the Bureau of Reclamation was authorized to participate in the development, design and construction of ecosystem restoration projects in the Deschutes River Basin in Oregon. Because of the heavy and often conflicting demands on the water and the resources of the Deschutes River, a consortium of Deschutes basin business leaders, the Confederated Tribes of the Warm Springs, the Environmental Defense Fund, basin irrigation districts, local environmental groups and other private interests formed the Deschutes River Basin Working Group (now the Deschutes River

Basin Conservancy) to undertake ecosystem restoration projects in this basin. Working under a consensus-based decision-making process, the Conservancy recommends projects that will yield both environmental and economic benefits in the basin. Under P.L. 104–208, Reclamation funds are used to cost-share for no more than 50 percent of the project costs. The remaining balance must come from local partners.

While the Conservancy got a delayed start, there has been widespread praise for the consensus-based process and for the excellent work that has begun. It has brought diverse interests together, who were at odds in the past, to find locally driven solutions to difficult natural resource problems. Furthermore, the Conservancy has been able to leverage the limited Federal funds to initiate and complete a number of important on-the-ground restoration projects including: lining and piping irrigation canals to reduce losses and conserve water, using market-based methods to secure water rights through purchase and donation for in-stream flows throughout the Deschutes Basin, and working with farmers, timberland owners, and ranchers to protect and restore riverbanks, wetlands, and riparian areas which serve as vital habitat for threatened and endangered fish and wildlife species. In many cases, local landowners, who were otherwise disinclined to work with the Federal agencies or local environmental groups, were enthusiastic about cooperating with the Conservancy because of the broad-base of local involvement and leadership of the group.

Reclamation is proud of its role with the Conservancy. the Department believes that the most effective means to address water and natural resource issues is to develop solutions based on consensus with local landowners and citizens on a watershed basis. Furthermore, in the short time that the Conservancy has been in operation, they have leveraged a limited amount of Federal funds to accomplish a significant number of important projects which will benefit national objectives related to water quality and environment enhancement as well as protect and even stimulate the local economy.

While we support reauthorization of this program, given the fiscal realities and our budgetary squeeze, we are concerned about the proposed increase in the authorization ceiling from $1 million to $2 million proposed in S. 1027. In 1997 and 1998, because of our budgetary situation and the fact that Reclamation was unable to program funds prior to the project being authorized, no funds were appropriated for Reclamation for this program. In 1999, we were appropriated $500,000 for this program, or half the authorized and requested level. For FY 2000, Reclamation was able to include $1 million for this program in our request. While we support the reauthorization of the Deschutes River Conservancy, and our participation in it, given our tight budgetary situation and projections for declining

budgets in the future, an increase in the authorization ceiling from $1 million to $2 million is unrealistic. As such, we recommend that the ceiling be reauthorized at $1 million.

Again, Mr. Chairman, the Department supports the reauthorization of this program to continue the excellent and cost-effective work that has begun. It will also enable the Conservancy to better meet the goals envisioned when the Congress passed the Deschutes Basin Act in 1996. We look forward to working with the Conservancy in the future.

That concludes my testimony, I would be pleased to answer any questions.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill S. 1027, as ordered reported, are shown as follows (new matter is printed in italic, existing law in which no change is proposed is shown in roman):

Public Law 104–208, 104th Congress

An Act making omnibus consolidated appropriations for the fiscal year ending September 30, 1997, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

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TITLE III—DESCHUTES BASIN

SEC. 301: DESCHUTES BASIN ECOSYSTEM RESTORATION PROJECTS.

(b) IN GENERAL.—

* * * * * * *

(3) The Bureau of Reclamation shall pay from funds authorized under subsection (h) of this title up to 50 percent of the cost of performing any project proposed by the Working Group and approved by the Secretary, up to a total amount of $1,000,000 during each of the fiscal years 1997 through 2001, *and up to a total amount of $2,000,000 during each of fiscal years 2002 through 2006.*

* * * * * * *

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this title $1,000,000 for each of fiscal years 1997 through 2001*, and $2,000,000 for each of fiscal years 2002 through 2006.*

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