

RAISING THE CEILING ON THE FEDERAL SHARE OF THE COST OF THE CALLEGUAS MUNICIPAL WATER DISTRICT RECYCLING PROJECT, AND FOR OTHER PURPOSES

SEPTEMBER 21, 2009.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. RAHALL, from the Committee on Natural Resources,
submitted the following

R E P O R T

[To accompany H.R. 2522]

[Including cost estimate of the Congressional Budget Office]

The Committee on Natural Resources, to whom was referred the bill (H.R. 2522) to raise the ceiling on the Federal share of the cost of the Calleguas Municipal Water District Recycling Project, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE OF THE BILL

The purpose of H.R. 2522 is to raise the ceiling on the federal share of the cost of the Calleguas Municipal Water District Recycling Project, and for other purposes.

BACKGROUND AND NEED FOR LEGISLATION

The Calleguas Municipal Water District (Calleguas) relies entirely on water imported through California's State Water Project to supply its 600,000 customers.

The Calleguas Creek Watershed in Ventura County, CA faces many environmental challenges involving both surface and groundwater resources. High salinity levels occur in many groundwater basins in the watershed which limit their use as a water resource. Currently Calleguas is working in cooperation with local water agencies to implement a multi-phase water recycling project to use reclaimed water for beneficial uses. The project is being constructed to reduce the need to import water to the region and to mitigate the impacts of water salinity on the Calleguas Creek Watershed.

Phase I of the project was authorized in 1996 (Public Law 104–266) and will be completed at an estimated cost of \$84 million (the maximum federal share of phase I is \$20 million). Phase I of the project is the development of the first stage of a Salinity Management Pipeline system to collect and convey brackish groundwater and recycled water for direct use, thereby stretching local water supplies. When finished, Phase I will facilitate the reclamation and reuse of about 15,000 acre-feet per year of water.

H.R. 2522 would authorize appropriations for the construction of Phases II and III of the project, which would extend the Salinity Management Pipeline for the project from the city of Simi Valley, eastward through the cities of Moorpark, Camarillo, Oxnard, and areas of unincorporated Ventura County. Completion of the Salinity Management Pipeline would facilitate the reclamation and reuse of about 43,000 acre-feet per year of water. Federal support for Phases II and III of the project through the Bureau of Reclamation would be limited to the lesser of \$40 million or 25 percent of the construction costs.

COMMITTEE ACTION

H.R. 2522 was introduced on May 20, 2009 by Rep. Elton Gallegly (R–CA). The bill was referred to the Committee on Natural Resources, and within the Committee to the Subcommittee on Water and Power. On July 21, 2009, the Subcommittee held a hearing on the bill.

On September 10, 2009, the Subcommittee was discharged from further consideration of H.R. 2522 and the full Natural Resources Committee met to consider the bill. The bill was ordered favorably reported to the House of Representatives by unanimous consent.

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 Natural 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 included 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, the general performance goal or objective of this bill is to raise the ceiling on the Federal share of the cost of the Calleguas Municipal Water District Recycling 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. 2522—A bill to raise the ceiling on the federal share of the cost of the Calleguas Municipal Water District Recycling Project, and for other purposes

Summary: H.R. 2522 would increase by \$40 million the authorization of appropriations for a water recycling project at the Calleguas Municipal Water District in California. The additional funding would enable the Bureau of Reclamation to complete a component of that project.

CBO estimates that appropriating an additional \$40 million for the Calleguas project would cost \$16 million over the 2010–2014 period and \$24 million after 2014. Enacting H.R. 2522 would not affect direct spending or revenues.

H.R. 2522 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.

Estimated cost to the federal government: The estimated budgetary impact of H.R. 2522 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By fiscal year, in millions of dollars					
	2010	2011	2012	2013	2014	2010–2014
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Estimated Authorization Level	3	3	3	4	4	17
Estimated Outlays	2	3	3	4	4	16

Basis of estimate: For this estimate, CBO assumes that H.R. 2522 will be enacted near the beginning of fiscal year 2010 and that the additional \$40 million authorized to be appropriated will be provided in roughly equal increments over the next 10 to 12 years. Estimated outlays are based on historical spending patterns for similar water resource projects.

The project was originally authorized in 1996 and in recent years has been funded at less than \$2 million annually. An additional \$5 million was provided in the American Recovery and Reinvestment Act of 2009. H.R. 2522 would increase the authorization of appropriation ceiling for the federal share of the Calleguas project from \$20 million to \$60 million. Based on information provided by the Bureau of Reclamation, CBO estimates that the total cost of constructing the next component of the multiphase Calleguas project, would be about \$220 million. The difference between the total project cost and the \$60 million to be provided by the bureau would be paid by local participants.

CBO estimates that the additional \$40 million authorized by the bill would be spent over the next 10 to 12 years—\$16 million over the 2010–2014 period and the remaining \$24 million after 2014.

Intergovernmental and private-sector impact: H.R. 2522 contains no intergovernmental or private-sector mandates as defined in UMRA and would benefit the Calleguas Municipal Water District.

Estimate prepared by: Federal Costs: Aurora Swanson; Impact on State, Local, and Tribal Governments: Melissa Merrell; Impact on the Private Sector: Amy Petz.

Estimate approved by: Theresa Gullo, Deputy Assistant Director for Budget Analysis.

COMPLIANCE WITH PUBLIC LAW 104–4

This bill contains no unfunded mandates.

EARMARK STATEMENT

H.R. 2522 does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(d), 9(e) or 9(f) of rule XXI.

PREEMPTION OF STATE, LOCAL OR TRIBAL LAW

This bill is not intended to preempt any State, local or tribal law.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

SECTION 1631 OF THE RECLAMATION WASTEWATER AND GROUNDWATER STUDY AND FACILITIES ACT

SEC. 1631. AUTHORIZATION OF APPROPRIATIONS.

(a) * * *

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(d)(1) Notwithstanding any other provision of this title and except as provided by ~~paragraph (2)~~ *paragraphs (2) and (3)*, the Federal share of the costs of each of the individual projects authorized by this title shall not exceed \$20,000,000 (October 1996 prices).

* * * * *

(3) In the case of the Calleguas Municipal Water District Recycling Project authorized by section 1616, the Federal share of the cost of the Project may not exceed the sum determined by adding—

- (A) the amount that applies to the Project under paragraph (1); and
- (B) \$40,000,000.