

107TH CONGRESS
1ST SESSION

H. R. 3208

To authorize funding through the Secretary of the Interior for the implementation of a comprehensive program in California to achieve increased water yield and environmental benefits, as well as improved water system reliability, water quality, water use efficiency, watershed management, water transfers, and levee protection.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 1, 2001

Mr. CALVERT (for himself and Mr. DOOLEY of California) introduced the following bill; which was referred to the Committee on Resources, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To authorize funding through the Secretary of the Interior for the implementation of a comprehensive program in California to achieve increased water yield and environmental benefits, as well as improved water system reliability, water quality, water use efficiency, watershed management, water transfers, and levee protection.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Western Water Secu-
3 rity Enhancement Act”.

4 **SEC. 2. TABLE OF CONTENTS.**

5 The table of contents for this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.
- Sec. 3. Purposes.
- Sec. 4. Definitions.

TITLE I—WESTERN WATER SECURITY PROGRAM

- Sec. 101. Interim program activities and governance structure.
- Sec. 102. Long-term governance and monitoring.
- Sec. 103. California water supply security.
- Sec. 104. Implementation of the CALFED program.
- Sec. 105. Competitive grant program.
- Sec. 106. Authorization and appropriation process.
- Sec. 107. Annual reports.
- Sec. 108. Treatment of funds.
- Sec. 109. Land acquisition; management plan required for existing lands.
- Sec. 110. Environmental justice.
- Sec. 111. Limitation on funding for new projects in California under the Rec-
lamation Wastewater and Groundwater Study and Facilities
Act.

TITLE II—SMALL RECLAMATION PROJECTS

- Sec. 201. Short title; references.
- Sec. 202. Amendments to the Small Reclamation Projects Act of 1956.
- Sec. 203. Additional appropriations.
- Sec. 204. Guidelines.
- Sec. 205. Effective date.
- Sec. 206. Limitation.

TITLE III—MISCELLANEOUS

- Sec. 301. Secretarial actions to reduce California’s use of Colorado River water.
- Sec. 302. Willard Bay Reservoir enlargement study.
- Sec. 303. Amendments to the Federal Water Project Recreation Act.
- Sec. 304. Limitations on recovery of reimbursable expenses for valve rehabilita-
tion project at the Arrowrock Dam, Boise Project, Idaho.

6 **SEC. 3. PURPOSES.**

7 The purposes of this Act are the following:

- 8 (1) To authorize funding, through the Secretary
9 of the Interior, for the implementation of a com-

1 prehensive program to achieve increased water yield
2 and water supply, improved water quality and en-
3 hanced environmental benefits as well as improved
4 water system reliability, water use efficiency, water-
5 shed management, water transfers, and levee protec-
6 tion for California.

7 (2) To implement the 4 primary objectives of
8 the CALFED program for California in accordance
9 with the solution principles set forth in the
10 CALFED program.

11 (3) To ensure that the Secretary of the Interior
12 and the Federal agencies, in cooperation with the
13 State, implement actions necessary to improve drink-
14 ing water quality pursuant to the record of decision,
15 including through financial and technical support of
16 local enhancement of water treatment infrastructure
17 and technology.

18 (4) To ensure that the Secretary of the Interior
19 and the Federal agencies, in cooperation with the
20 State, implement actions necessary to improve drink-
21 ing water quality pursuant to the record of decision,
22 including through financial and technical support of
23 local enhancement of water treatment infrastructure
24 and technology.

1 (5) To enhance water security in the Western
2 United States by authorizing a competitive grants
3 program and reauthorizing and amending the Small
4 Reclamation Projects Act of 1956.

5 **SEC. 4. DEFINITIONS.**

6 As used in this Act:

7 (1) BAY-DELTA SOLUTION AREA.—The term
8 “Bay-Delta solution area” means the Bay-Delta wa-
9 tershed and the San Francisco Bay/Sacramento-San
10 Joaquin Delta Estuary, California, and the areas in
11 which diverted/exported water is used.

12 (2) BAY-DELTA WATERSHED.—The term “Bay-
13 Delta watershed” means the Sacramento River-San
14 Joaquin River Delta, and the rivers and watersheds
15 that are tributary to that Delta.

16 (3) CALFED PROGRAM.—The term “CALFED
17 program” means the cooperative, interagency effort
18 of State and Federal agencies with management or
19 regulatory responsibilities for the Bay-Delta solution
20 area as set forth in the record of decision, including
21 complementary actions (as that term is defined in
22 the record of decision).

23 (4) CONGRESSIONAL APPROPRIATIONS COMMIT-
24 TEES.—The term “congressional appropriations
25 committees” means the Subcommittee on Energy

1 and Water Development of the Committee on Appro-
2 priations of the Senate and the Subcommittee on
3 Energy and Water Development of the Committee
4 on Appropriations of the House of Representatives.

5 (5) CONGRESSIONAL AUTHORIZING COMMIT-
6 TEES.—The term “congressional authorizing com-
7 mittees” means the Committee on Energy and Nat-
8 ural Resources of the Senate and the Committee on
9 Resources of the House of Representatives.

10 (6) DELTA.—The term “Delta” means the Sac-
11 ramento River-San Joaquin River Delta in Cali-
12 fornia as defined in California Water Code section
13 12220.

14 (7) ECOSYSTEM RESTORATION PROGRAM.—The
15 term “Ecosystem Restoration Program” means the
16 program described in section 2.2.2 of the record of
17 decision.

18 (8) ENVIRONMENTAL WATER ACCOUNT.—The
19 term “Environmental Water Account” means the
20 water account established by the Program agencies
21 pursuant to the record of decision to provide water
22 for the protection and recovery of species of fish list-
23 ed under section 4(c) of the Endangered Species Act
24 of 1973 (16 U.S.C. 1533(c)).

1 (9) FEDERAL AGENCIES.—The term “Federal
2 agencies” means the Federal agencies that are sig-
3 natories to Attachment 3 of the record of decision.

4 (10) PROGRAM AGENCIES.—The term “Pro-
5 gram agencies” means both the Federal agencies
6 and the State agencies.

7 (11) RECLAMATION LANDS.—The term “Rec-
8 lamation lands”—

9 (A) means real property administered by
10 the Secretary, acting through the Commissioner
11 of Reclamation; and

12 (B) includes all acquired and withdrawn
13 lands and water areas under the administrative
14 jurisdiction of the Bureau of Reclamation.

15 (12) RECORD OF DECISION.—The term “record
16 of decision” means the record of decision issued Au-
17 gust 28, 2000, pursuant to the National Environ-
18 mental Policy Act of 1969 for the CALFED Bay-
19 Delta Program Final Programmatic Environmental
20 Impact Statement.

21 (13) RESTORATION FUND.—The term “restora-
22 tion fund” means the Central Valley Project Res-
23 toration Fund established by section 3407 of the
24 Central Valley Project Improvement Act (106 Stat.
25 4726).

1 (14) SECRETARY.—The term “Secretary”
2 means the Secretary of the Interior.

3 (15) STATE AGENCIES.—The term “State agen-
4 cies” means the California State agencies that are
5 signatories to Attachment 3 of the record of deci-
6 sion.

7 (16) WATER SECURITY BOARD.—The term
8 “Water Security Board” means such board estab-
9 lished pursuant to section 102.

10 (17) WATER SUPPLY.—The term “water sup-
11 ply” means a quantity of water that is developed or
12 derived from—

13 (A) increased yield;

14 (B) recycling existing sources;

15 (C) surface or groundwater storage;

16 (D) conservation; or

17 (E) other actions or water management
18 tools that—

19 (i) improve the availability and reli-
20 ability of water supplies in critically dry
21 years for beneficial uses;

22 (ii) improve system capacity; or

23 (iii) improve operational flexibility.

24 (18) WATER YIELD.—The term “water yield”
25 means an additional quantity of water supply in

1 storage that is available in critically dry years for
2 beneficial uses.

3 **TITLE I—WESTERN WATER**
4 **SECURITY PROGRAM**

5 **SEC. 101. INTERIM PROGRAM ACTIVITIES AND GOVERN-**
6 **ANCE STRUCTURE.**

7 (a) IN GENERAL.—The Federal agencies, in consulta-
8 tion with State agencies, shall continue to operate under
9 the interim governance structure as described in Attach-
10 ment 3 of the record of decision, and in accordance with
11 section 103 of this Act, until the date on which the Water
12 Security Board is established under section 102.

13 (b) ALLOCATION OF FUNDING DURING INTERIM.—
14 The Secretary shall ensure that during the period pre-
15 ceding establishment of the Water Security Board under
16 section 102, Federal funding is allocated such that—

17 (1) there is balanced progress toward increased
18 water yield and water supply, improved water qual-
19 ity, and enhanced environmental benefits; and

20 (2) adequate progress is made in improving
21 water system reliability, water quality, water use ef-
22 ficiency, watershed management, water transfers,
23 and levee protection, in accordance with the record
24 of decision.

25 (c) WATER SUPPLY STUDIES.—

1 (1) IN GENERAL.—The Secretary, acting
2 through the Bureau of Reclamation, shall conduct a
3 study of available water supplies and existing de-
4 mand and future needs—

5 (A) within the units of the Central Valley
6 Project;

7 (B) within the area served by Central Val-
8 ley Project agricultural water service contrac-
9 tors and municipal and industrial water service
10 contractors; and

11 (C) within the Bay-Delta solution area.

12 (2) REPORT.—The Secretary shall submit a re-
13 port to the congressional authorizing committees by
14 not later than October 1, 2002, describing the find-
15 ings of the study. The report shall describe—

16 (A) water yield and water supply improve-
17 ments, if any, for Central Valley Project agri-
18 cultural water service contractors and municipal
19 and industrial water service contractors, that
20 would result from projects described in the
21 record of decision; and

22 (B) all feasible water management actions
23 or projects that would improve water yield or
24 water supply and that, if taken or constructed,
25 would balance available water supplies and ex-

1 isting demand for those contractors and other
2 water users of the Bay Delta Watershed with
3 due recognition of water right priorities.

4 (3) FEASIBLE DEFINED.—For purposes of
5 paragraph (2), the term “feasible” means capable of
6 being accomplished in a reasonable period of time,
7 taking into account economic, environmental, social,
8 and technological factors and benefits.

9 (d) WATER QUALITY STUDIES.—

10 (1) STUDY.—The Secretary, in cooperation with
11 the State, shall conduct a study to identify and ree-
12 ommend drinking water quality improvement
13 projects and programs to carry out under the
14 CALFED program.

15 (2) REPORT.—The Secretary shall submit a re-
16 port to the congressional authorizing committees by
17 not later than October 1, 2002, describing the find-
18 ings of the study.

19 (e) SUMMARY OF EXPENDITURES TO DATE.—The
20 Director of the Office of Management and Budget shall
21 submit to the Congress, by not later than March 1, 2002,
22 a report describing all Federal and State expenditures
23 made before such date under the CALFED program and
24 other Federal and State programs that may be com-
25 plementary to the CALFED program.

1 **SEC. 102. LONG-TERM GOVERNANCE AND MONITORING.**

2 (a) ESTABLISHMENT OF THE WATER SECURITY
3 BOARD.—

4 (1) IN GENERAL.—The Secretary shall cooper-
5 ate with the State of California to develop a proposal
6 to—

7 (A) establish an administrative entity, to
8 be known as the “Water Security Board”, for
9 managing CALFED program operations and
10 implementation of section 105 with respect to
11 California; and

12 (B) otherwise provide for the long-term im-
13 plementation of the CALFED program.

14 (2) DEVELOPMENT AND SUBMITTAL OF PRO-
15 POSAL.—For purposes of paragraph (1)—

16 (A) the Federal agencies shall participate
17 with the State agencies and stakeholders to de-
18 velop a proposal in accordance with this section
19 to be authorized by the Congress and the Cali-
20 fornia Legislature before becoming effective;
21 and

22 (B) the Secretary shall submit the proposal
23 to the Congress and the California Legislature
24 by October 1, 2002.

25 (3) PUBLIC PARTICIPATION.—The Federal
26 agencies shall include broad public, tribal, and local

1 government involvement in the proposal. Meetings of
2 multiple State and Federal agencies for development
3 of the proposal shall be open to the public.

4 (b) PROGRAM ELEMENTS.—The proposal submitted
5 by the Secretary under this section shall provide the fol-
6 lowing:

7 (1) Establishment of an administrative entity to
8 be authorized under Federal and California State
9 law which shall be known as the Water Security
10 Board.

11 (2) The Water Security Board—

12 (A) shall direct and oversee the implemen-
13 tation of the CALFED program and implemen-
14 tation of section 105 with respect to California;
15 and

16 (B) may adopt and modify program ele-
17 ments as necessary to achieve the purposes of
18 the CALFED program.

19 (3) The Water Security Board shall ensure that
20 all relevant Federal programs authorized under this
21 Act and other preexisting authorities, including the
22 restoration fund and other programs authorized by
23 the Central Valley Project Improvement Act (106
24 Stat. 4706 et seq.), coordinate and integrate
25 goalsetting, funding, and implementation with

1 CALFED programs to ensure the most biologically
2 effective and cost-effective expenditure of Federal
3 funds and resources for CALFED program-related
4 activities.

5 (4) The Water Security Board shall manage
6 and allocate CALFED program funds to maintain
7 balanced progress among all CALFED program ele-
8 ments.

9 (5) The Water Security Board shall be com-
10 prised of representatives from each of the following
11 groups:

12 (A) The Federal agencies.

13 (B) The State agencies.

14 (C) Local governments and other inter-
15 ested persons.

16 (6) Each member of the Water Security Board
17 who is a representative of a Federal agency or State
18 agency shall be an official with a level of authority
19 that is at least as great as the lowest level of author-
20 ity of the Federal and State officials, respectively,
21 that signed the record of decision.

22 (7) Mechanisms for funding, by the Program
23 agencies, of activities under the proposal, including
24 for the ecosystem restoration program.

1 (c) PROMOTION OF PARTNERSHIPS.—The proposal
2 submitted by the Secretary under this section shall provide
3 the following:

4 (1) The Water Security Board shall seek out
5 and promote partnerships with local interests and
6 programs that seek to integrate various management
7 options so as to maximize the final resource benefits.

8 (2) The Water Security Board shall cooperate
9 and undertake joint activities with other persons, in-
10 cluding local public agencies, Indian tribes, private
11 water users, and landowners pursuant to the record
12 of decision. Such activities shall include, but not be
13 limited to, planning, design, technical assistance,
14 construction projects, and the development of an
15 independent peer review science program.

16 (d) MONITORING.—The proposal submitted by the
17 Secretary under this section shall provide that the Water
18 Security Board shall coordinate with the Program agen-
19 cies to—

20 (1) ensure that ecological monitoring data col-
21 lected for ecosystem restoration projects are inte-
22 grated, streamlined, compatible, and designed to
23 measure overall trends in ecosystem health in the
24 Bay-Delta watershed;

1 (2) provide integrated monitoring plans and
2 protocols to be used for gauging cost-effective per-
3 formance of projects; and

4 (3) ensure that the findings of such monitoring
5 are used to modify and adopt elements of the
6 CALFED program.

7 (e) OBJECTIVE REVIEW AND ANALYSIS.—The pro-
8 posal submitted by the Secretary under this section shall
9 provide that the Water Security Board shall ensure that—

10 (1) all aspects of the CALFED program com-
11 ponents, including the competitive grants program
12 under section 105, use credible and objective sci-
13 entific review and economic analysis;

14 (2) recommendations of the Water Security
15 Board are based on the best available scientific in-
16 formation; and

17 (3) a science review board and independent peer
18 review process for implementation of the proposal is
19 established, including independent review of biologi-
20 cal opinions.

21 (f) LAND PARTNERSHIPS AND ACQUISITIONS.—The
22 proposal submitted by the Secretary under this section
23 shall provide that—

24 (1) before obligating or expending Federal
25 funds to acquire land for the CALFED ecosystem

1 restoration program, the Water Security Board shall
2 first determine that existing Federal land is not
3 available for that purpose;

4 (2) in determining whether to acquire land for
5 the CALFED ecosystem restoration program, the
6 Water Security Board, through the Secretary,
7 shall—

8 (A) consider the cumulative impacts on the
9 local government and communities of transfer-
10 ring the property into government ownership;
11 and

12 (B) fully mitigate such impacts; and

13 (3) the Water Security Board shall partner with
14 landowners and local agencies to develop cooperating
15 landowner commitments that will meet coequal ob-
16 jectives of achieving local economic and social goals
17 and implementing the Ecosystem Restoration Pro-
18 gram goals.

19 (g) COMPLIANCE WITH STATE LAW.—The proposal
20 submitted by the Secretary under this section shall provide
21 that the Federal agencies and the Water Security Board
22 shall operate in compliance with California water law.
23 Nothing in this Act shall be construed to invalidate or pre-
24 empt State law.

1 (h) CONTINUED CONSULTATION AND NEGOTIATION
2 REGARDING COST SHARING.—The Federal agencies shall
3 continue coordinated consultations and negotiations with
4 the State of California pursuant to the cost sharing agree-
5 ment required by section 78684.10 of California Senate
6 Bill 900, Chapter 135, Statutes of 1996, signed by the
7 Governor of California on July 11, 1996, and may enter
8 into an agreement with the State for that purpose.

9 (i) SATISFACTION OF SOLUTION PRINCIPLES AND
10 PRIMARY OBJECTIVES.—The Secretary shall ensure that
11 the proposal submitted under this section and other ac-
12 tions taken to implement the record of decision satisfy the
13 solution principles and primary objectives of the CALFED
14 program.

15 (j) LIMITATION ON APPROPRIATIONS TO IMPLEMENT
16 CALFED PROGRAM.—No amounts may be appropriated
17 for any fiscal year after fiscal year 2004 to implement the
18 CALFED Program, including under any other provision
19 of this title, and no amounts may be appropriated from
20 the restoration fund after such fiscal year, if there has
21 not been enacted by the Congress a law authorizing imple-
22 mentation of the proposal submitted by the Secretary
23 under this section.

24 **SEC. 103. CALIFORNIA WATER SUPPLY SECURITY.**

25 (a) WATER SYSTEM IMPROVEMENTS.—

1 (1) IN GENERAL.—The Federal agencies, acting
2 through the CALFED program, shall develop a bal-
3 anced and timely program to achieve for agricultural
4 and urban uses throughout the Bay-Delta solution
5 area—

6 (A) increased water supply and water
7 yield, improved water quality, and environ-
8 mental benefits; and

9 (B) improved water system reliability,
10 water use efficiency, watershed management,
11 water transfers, and levee protection.

12 (2) DEVELOPMENT OF OPTIONS.—In developing
13 water yield and water supply options the Federal
14 agencies, in cooperation with the State agencies,
15 shall—

16 (A) consider all potential water yield and
17 supply storage alternatives (including those
18 identified in the study under section 101(c)(1));
19 and

20 (B) utilize a cost/benefit analysis in con-
21 junction with environmental criteria to ensure
22 that proposals are selected that address envi-
23 ronmental issues and are economically viable.

24 (3) SELECTION OF PROJECTS.—In selecting
25 projects and programs for increasing water yield and

1 water supply, improving water quality, and enhanc-
2 ing environmental benefits, projects and programs
3 with multiple benefits shall be emphasized.

4 (4) WATER DELIVERIES.—In accordance with
5 the record of decision, the Secretary shall operate
6 the Central Valley Project in a manner that will in
7 a normal year make available to south-of-Delta Cen-
8 tral Valley Project agricultural water service con-
9 tractors at least 70 percent of their existing con-
10 tract. In years that are other than normal, the Cen-
11 tral Valley Project shall be operated to accomplish
12 water supply improvements to south-of-Delta Cen-
13 tral Valley Project agricultural water service con-
14 tractors that are comparable to the targeted normal-
15 year supply improvements. The increased supply for
16 south-of-Delta Central Valley Project agricultural
17 water service contractors pursuant to this subsection
18 shall be provided from existing Central Valley
19 Project facilities in a manner consistent with Cali-
20 fornia water laws without reducing deliveries to or
21 otherwise adversely affecting other water suppliers
22 and their water users that rely on water diverted
23 from or tributary to the Delta without degrading the
24 quality of water for municipal and industrial uses,
25 and in a manner that is consistent with the Bureau

1 of Reclamation's, municipal and industrial water
2 shortage policy. For purposes of application of this
3 section to the 2002 water year, the term "normal-
4 year" means a water year in which the Sacramento
5 Valley Index is within 5 percent of 7.8 million acre
6 feet as defined by the State Water Resource Control
7 Board Water Quality Control Plan 95-1WR. The
8 Secretary shall develop, in consultation with affected
9 interests, a definition of a "normal year" for use in
10 water years after the 2002 water year. The Sec-
11 retary shall also develop, by no later than July 1,
12 2002, and in consultation with affected interests, an
13 operations plan (with associated protocols) describ-
14 ing the manner in which the requirements of this
15 section will be achieved.

16 (5) BANKS PUMPING PLANT.—In accordance
17 with the record of decision, the Federal agencies
18 shall cooperate with the State of California to do the
19 following:

20 (A) Increase pumping limits at the Banks
21 Pumping Plant in accordance with the schedule
22 established in the record of decision, or earlier
23 if feasible.

24 (B) Manage the Environmental Water Ac-
25 count and the Ecosystem Restoration Program

1 to maximize the water supply benefits to be
2 provided by the increased pumping capability.

3 (C) Implement the other actions in section
4 2.2.6. of the record of decision.

5 (b) ENVIRONMENTAL WATER MANAGEMENT.—

6 (1) MANAGEMENT OF ENVIRONMENTAL WATER
7 ACCOUNT.—The Federal agencies, in cooperation
8 with the State agencies, shall manage the Environ-
9 mental Water Account and the Ecosystem Restora-
10 tion Program under the record of decision as part
11 of a comprehensive plan to provide assurances that
12 actions taken to protect species listed under section
13 4(c) of the Endangered Species Act of 1973 (16
14 U.S.C. 1533(c)), pursuant to biological opinions and
15 incidental take permits under that Act, will be car-
16 ried out in a manner that—

17 (A) avoids redirected impacts and water
18 supply and water quality impacts to the Central
19 Valley Project and the State Water Project; and

20 (B) avoids adverse effects on the water
21 right holders in the Bay-Delta solution area, by
22 not imposing any direct costs or indirect costs
23 on the water users in the Bay-Delta solution
24 area.

1 (2) ENVIRONMENTAL WATER ACCOUNT PRIOR-
2 ITIES AND OPERATION.—(A) The Secretary shall
3 give first priority, in the allocation and use of Envi-
4 ronmental Water Account and the Ecosystem Res-
5 toration Program assets actually obtained or devel-
6 oped, to meeting the water supply assurances set
7 forth in paragraph (1).

8 (B) If, by December 31 of any year, the Envi-
9 ronmental Water Account Tier 2 assets (as that
10 term is used in section 2.2.7 of the record of deci-
11 sion) water purchase targets, or their functional
12 equivalents, have not been met, the Federal agencies
13 shall continue their efforts to meet such water pur-
14 chase targets and shall make use of the available
15 Environmental Water Account assets to avoid jeop-
16 ardizing the continued existence of any species listed
17 under section 4(c) of the Endangered Species Act of
18 1973 (16 U.S.C. 1533(c)) in a manner consistent
19 with minimizing water supply and water quality im-
20 pacts.

21 (C) If the efforts to meet such water purchase
22 targets are unsuccessful, the maximum responsibility
23 of water service contractors of the State Water
24 Project and the Central Valley Project to provide
25 water for Environmental Water Account Tier 2 asset

1 purposes shall be the difference between the Envi-
2 ronmental Water Account purchase targets estab-
3 lished in section 2.2.7 of the record of decision and
4 the amount of water actually acquired.

5 **SEC. 104. IMPLEMENTATION OF THE CALFED PROGRAM.**

6 (a) IN GENERAL.—The Secretary and the Federal
7 agencies shall, subject to approvals and the availability of
8 appropriations under this Act, and consistent with the
9 goals included pursuant to paragraph (3) of section 107(a)
10 in annual reports under that section, carry out all actions
11 necessary to implement the CALFED program.

12 (b) BALANCED REGULATORY IMPLEMENTATION.—
13 The Secretary and the Federal agencies, in carrying out
14 their regulatory responsibilities under any Federal law,
15 shall not—

16 (1) treat one CALFED program element as an
17 alternative to another CALFED program element;
18 or

19 (2) consider, as an alternative to one element of
20 the CALFED program, implementation of any other
21 element of the CALFED program beyond the levels
22 described in the record of decision.

23 (c) REGULATORY COORDINATION.—The Secretary,
24 working with the Governor of the State of California,
25 shall, on or before January 1, 2003, develop a regulatory

1 coordination and streamlining process for the issuance of
2 permits and approvals required under State and Federal
3 law for projects under the CALFED program, to ensure
4 that all Federal agencies' and State agencies' respective
5 regulatory programs will be coordinated in a manner that
6 reduces or eliminates duplicative processes or decision-
7 making, thereby reducing costs and time that would other-
8 wise be required.

9 (d) PROGRAM AGENCIES DISCRETION.—This Act
10 shall not affect the discretion of any of the Program agen-
11 cies or the authority granted to any of the Program agen-
12 cies by any other Federal or State law.

13 (e) AUTHORIZATION OF APPROPRIATIONS.—

14 (1) IN GENERAL.—In addition to the other
15 amounts authorized by this Act, there are authorized
16 to be appropriated for activities that implement the
17 CALFED program—

18 (A) for each of fiscal years 2002 through
19 2004, \$200,000,000; and

20 (B) for each of fiscal years 2005 through
21 2032 such sums as may be necessary for bal-
22 anced completion of Stage 1 of the CALFED
23 program and balanced implementation of subse-
24 quent stages of the CALFED program.

1 (2) CONTINUING AVAILABILITY.—Funds appro-
2 priated pursuant to this subsection may remain
3 available until expended.

4 **SEC. 105. COMPETITIVE GRANT PROGRAM.**

5 (a) GENERAL AUTHORITY.—The implementing entity
6 shall undertake a competitive grant program to—

7 (1) investigate and identify opportunities for
8 the design and construction of demonstration and
9 permanent facilities, or the implementation of other
10 programs, to—

11 (A) increase water yield and water supply;

12 (B) maintain existing water supply;

13 (C) improve water quality; or

14 (D) improve water use efficiency and water
15 conservation, reclamation, desalination of
16 brackish and sea water, and recycling of waste-
17 water and impaired ground and surface waters;

18 (2) carry out design and construction of facili-
19 ties and implement other programs identified pursu-
20 ant to paragraph (1);

21 (3) conduct research, including desalination and
22 other new and innovative techniques and techniques
23 for water treatment, regarding sea water and the
24 reclamation of wastewater and impaired ground and
25 surface waters; and

1 (4) encourage watershed management actions
2 to increase water quality, water yield, water supply,
3 and groundwater recharge and storage.

4 (b) LIMITATIONS ON GRANTS.—

5 (1) LOCATION OF PROJECT.—Grants under the
6 program may be made only for projects carried out
7 in a State that contains Reclamation lands.

8 (2) PER STATE LIMIT.—(A) Except as provided
9 in subparagraph (B), of the amount available in a
10 fiscal year for grants under the program, not more
11 than 50 percent may be used for projects in a single
12 State.

13 (B) The Secretary may increase the percentage
14 that applies under subparagraph (A) if the Secretary
15 finds that, due to the lack of grant applications for
16 projects that the Secretary finds meet the evaluation
17 criteria under this section, such increase is necessary
18 to ensure the use of amounts available for such fis-
19 cal year for such grants.

20 (c) EVALUATION CRITERIA.—In determining what
21 projects described in subsection (a) are eligible for funding
22 under this section, the implementing entity, to the max-
23 imum extent possible, shall consider the following criteria:

24 (1) Whether a project—

25 (A) increases water yield and water supply;

1 (B) reduces or stabilizes demand on exist-
2 ing Federal and State water supply facilities; or

3 (C) increases the availability of locally and
4 regionally developed water supplies.

5 (2) Whether a project improves water quality in
6 a manner that results in continuous, measurable,
7 and significant water quality benefits, except that
8 any project the primary purpose of which is the
9 project sponsor's compliance with the Federal Water
10 Pollution Control Act shall not be considered as im-
11 proving water quality for purposes of this para-
12 graph.

13 (3) Whether a project—

14 (A) serves a small, rural, or economically
15 disadvantaged community or Indian tribes;

16 (B) shows economic benefits; and

17 (C) is cost-effective.

18 (4) Whether a project restores or enhances
19 habitats, including those affected by or affecting
20 project operation, or provides water for, or otherwise
21 protects, Federal or State listed threatened or en-
22 dangered species, or facilitates consensus-based envi-
23 ronmental restoration programs.

24 (5) Whether a project helps meet existing legal
25 requirements, contractual water supply obligations,

1 Indian trust responsibilities, water rights settle-
2 ments, water quality control plans and department
3 of health requirements, Federal and State environ-
4 mental laws, the Federal Water Pollution Control
5 Act, or other obligations.

6 (6) Whether a project promotes and applies a
7 regional or watershed perspective to water resource
8 management or cross-boundary issues, implements
9 an integrated resources management approach, in-
10 creases water management flexibility, or forms a
11 partnership with other entities.

12 (7) Whether a project improves health and safe-
13 ty of the general public.

14 (8) Whether a project provides benefits outside
15 the region in which the project occurs.

16 (9) Whether a project provides benefits to the
17 agricultural community, including any adverse im-
18 pacts on agricultural production and agricultural
19 lands.

20 (d) CONSTRUCTION GRANTS.—No grant may be
21 made under this section for the construction of any project
22 until after—

23 (1) an appraisal investigation and a feasibility
24 study have been completed;

1 (2) the implementing entity has determined
2 that the non-Federal project sponsor is financially
3 capable of funding the non-Federal share of the
4 project's costs; and

5 (3) the implementing entity has approved a
6 cost-sharing agreement with the non-Federal project
7 sponsor that commits the non-Federal project spon-
8 sor to funding its share of the project's construction
9 costs on an annual basis, and ongoing operations
10 and maintenance.

11 (e) COST SHARING.—

12 (1) IN GENERAL.—Except as provided in para-
13 graph (2), and notwithstanding any other provision
14 of this Act, a grant under this section shall not ex-
15 ceed the lesser of \$50,000,000 (June 2000 prices) or
16 35 percent of the total cost of the project.

17 (2) REDUCED NON-FEDERAL SHARE.—The im-
18 plementing entity may reduce the non-Federal share
19 of the cost of a project carried out with a grant
20 under this section, including (subject to the avail-
21 ability of amounts for such grants, and less than
22 \$50 million) by increasing the amount of the Fed-
23 eral share of such costs to an amount that is greater
24 than the amount specified in paragraph (1), if the

1 implementing entity, through the Secretary, deter-
2 mines that—

3 (A) the project is for the benefit of a
4 small, rural, or socially disadvantaged commu-
5 nity or an Indian tribe; and

6 (B) application of paragraph (1) would re-
7 sult in economic hardship for such community
8 or Indian tribe.

9 (f) ANNUAL REPORT.—The implementing entity shall
10 provide the Congress an annual report detailing the bene-
11 fits gained by projects funded under this section, and ex-
12 penditures for each such project. The report shall include
13 information on each project the implementing entity has
14 approved for funding, including an assessment of how the
15 project met each of the evaluation criteria under this sec-
16 tion.

17 (g) IMPLEMENTING ENTITY DEFINED.—In this sec-
18 tion the term “implementing entity”—

19 (1) except as provided in paragraph (2), means
20 the Secretary; and

21 (2) for purposes of grants under this section for
22 projects in California, means the Water Security
23 Board.

1 (h) AUTHORIZATION OF APPROPRIATIONS.—For
2 grants under this section, there are authorized to be
3 appropriated—

4 (1) \$50,000,000 for fiscal year 2002; and

5 (2) \$500,000,000 for each fiscal year there-
6 after.

7 **SEC. 106. AUTHORIZATION AND APPROPRIATION PROCESS.**

8 (a) ACTIVITIES OTHER THAN CONSTRUCTION AND
9 ACQUISITION.—There are authorized to be appropriated
10 to the Secretary such sums as are necessary to pay the
11 Federal share of CALFED program costs and expenses
12 for—

13 (1) prefeasibility and feasibility studies, envi-
14 ronmental reviews, permit acquisitions, and related
15 preconstruction and preland acquisition activities;

16 (2) administration of all CALFED program
17 areas, including governance, monitoring, and imple-
18 mentation of a comprehensive science program; and

19 (3) acquiring the Tier 2 and Tier 3 assets (as
20 those terms are defined in the record of decision) for
21 the Environmental Water Account.

22 (b) CONSTRUCTION AND ACQUISITION ACTIVITIES.—
23 The process for authorizing appropriations to pay the
24 Federal share of the costs of implementing elements of
25 the CALFED program, as set forth in the Record of Deci-

1 sion, through the construction of projects and the acqui-
2 tion of lands, easements, and rights-of-way shall be as fol-
3 lows:

4 (1) Every odd-numbered year beginning in
5 2003 at the same time the Secretary submits the re-
6 port described in section 107(a), the Water Security
7 Board, acting through the Secretary, shall submit to
8 the congressional authorizing committees a report
9 setting forth the list of projects and other actions
10 that are proposed for construction or acquisition in
11 order to implement the CALFED program over the
12 next 2 fiscal years. The list shall specify which
13 projects and actions require authorization by the
14 Congress through the process set forth in this sub-
15 section. The Water Security Board and the Sec-
16 retary shall certify that implementation of the
17 CALFED program in the manner set forth in the
18 report will result in balanced implementation in all
19 CALFED program areas.

20 (2) No amounts may be appropriated for any
21 fiscal year after fiscal year 2003 for any project or
22 other action that has not been previously authorized
23 and that requires construction or acquisition of
24 lands, easements, and rights-of-way, unless—

1 (A) the project has been specifically au-
2 thorized by law; or

3 (B) amounts were appropriated for con-
4 struction or acquisition of lands, easements,
5 and rights-of-way for the project or action be-
6 fore fiscal year 2003.

7 (3) It is the intent of Congress that the author-
8 izations and appropriations for implementation of
9 the CALFED program shall promote and carry out
10 the fundamental principle that the CALFED pro-
11 gram components, consisting of ecosystem restora-
12 tion, watershed improvements, water supply im-
13 provements, storage, conveyance, water use effi-
14 ciency, water quality improvement, and levee sta-
15 bility, must progress together in a balanced manner.

16 (4) If the Congress, through the authorization
17 and appropriation process set forth in this section,
18 amends, or fails to authorize or fund, the projects
19 and other actions included in a report submitted
20 pursuant to paragraph (1), the Secretary shall, in
21 consultation with the Water Security Board, redeter-
22 mine whether implementation of the projects and
23 other actions, as authorized or funded, respectively,
24 by the Congress will maintain balanced implementa-
25 tion in all CALFED program areas. If the Secretary

1 finds that implementation of such projects, as so au-
2 thORIZED or funded by the Congress, will not main-
3 tain balanced implementation in all program areas,
4 the Secretary shall report to the Congress the find-
5 ing and recommend those steps needed to restore
6 balance to the implementation process.

7 (c) CONTENTS OF REPORTS.—

8 (1) IN GENERAL.—For each project rec-
9 ommended under paragraph (1), the reports under
10 this subsection shall include—

11 (A) a project description;

12 (B) feasibility and operational studies;

13 (C) required environmental documentation;

14 (D) a finding of consistency with the
15 record of decision;

16 (E) a cost-benefit analysis;

17 (F) identification of project benefits and
18 beneficiaries;

19 (G) identification of adverse impacts, if
20 any, to agricultural, municipal, industrial, or
21 other water users;

22 (H) a cost and benefit allocation plan;

23 (I) financing and repayment plan; and

24 (J) in the case of a project proposed to be
25 funded with a grant under section 105, a cer-

1 tification that an agreement in accordance with
2 section 105(d)(3) has been signed and the
3 Water Security Board has determined that the
4 non-Federal project sponsor is financially capa-
5 ble of funding the project's non-Federal share
6 of the project's costs, and ongoing operations
7 and maintenance.

8 (2) **RECOMMENDATIONS REGARDING SPECIFIC**
9 **PROJECTS.**—The Water Security Board, through the
10 Secretary, shall include in reports under this sub-
11 section recommendations with respect to construc-
12 tion of the surface storage, groundwater storage,
13 and complementary actions, that would improve
14 water system reliability and water quality, consistent
15 with the dates specified in the record of decision or
16 such other date as may be specified by the Water
17 Security Board.

18 **SEC. 107. ANNUAL REPORTS.**

19 (a) **ANNUAL WATER REPORT BY WATER SECURITY**
20 **BOARD.**—Not later than February 1 of each year, the
21 Water Security Board, through the Secretary, shall submit
22 to the Congress an annual report that includes the fol-
23 lowing:

1 (1) FEDERAL FUNDING.—An accounting of all
2 Federal funds received (or to be received) by the
3 Water Security Board, including—

4 (A) a description of all projects and activi-
5 ties carried out with such funds;

6 (B) amounts received by the State that
7 have not yet been expended by the State; and

8 (C) cost allocation and any applicable re-
9 payment capacity findings for new projects.

10 (2) ASSESSMENT OF ACHIEVEMENTS.—A de-
11 scription and assessment of expenditures and
12 achievements of the CALFED program and the
13 competitive grant program under section 105 in the
14 current fiscal year, including accomplishments in
15 achieving—

16 (A) increased water yield and water sup-
17 ply;

18 (B) improved water quality, including—

19 (i) measures taken to improve salinity;

20 (ii) an assessment of progress made in
21 implementing drinking water sources pro-
22 tection projects and programs described in
23 the record of decision; and

24 (iii) identification of regionally and lo-
25 cally sponsored projects and programs to

1 improve water treatment infrastructure
2 and technology;

3 (C) enhanced environmental benefits, in-
4 cluding ecosystem restoration;

5 (D) improved water system reliability,
6 water use efficiency, watershed management,
7 water transfers, and levee protection; and

8 (E) benefits in all geographic regions cov-
9 ered within the Bay-Delta solution area.

10 (3) PERFORMANCE MEASURES.—A clear state-
11 ment of goals to achieve, under the CALFED
12 program—

13 (A) increased water supply;

14 (B) improved water quality;

15 (C) enhanced environmental benefits; and

16 (D) improved water system reliability,
17 water use efficiency, watershed management,
18 water transfers, and levee protection.

19 (b) ANNUAL BUDGET CROSSCUT REPORT.—Not
20 later than February 1 of each year, the Director of the
21 Office of Management and Budget shall submit to the
22 Congress an interagency budget crosscut report that de-
23 scribes in detail—

24 (1) all proposed and planned Federal expendi-
25 tures in the next fiscal year on ecosystem restoration

1 and other purposes in the Bay-Delta solution area;
2 and

3 (2) all proposed and planned State of California
4 and Federal expenditures in the next fiscal year to
5 achieve the objectives identified within the CALFED
6 record of decision.

7 **SEC. 108. TREATMENT OF FUNDS.**

8 Funds authorized to be appropriated by this title to
9 those Federal agencies that are currently or subsequently
10 become participants in the CALFED program shall be in
11 addition to the baseline funding levels established for cur-
12 rently authorized projects and programs under the Central
13 Valley Project Improvement Act (title XXXIV of Public
14 Law 102-575) and other currently authorized Federal
15 programs for the purposes of Bay-Delta ecosystem protec-
16 tion and restoration and water system and water quality
17 improvement.

18 **SEC. 109. LAND ACQUISITION; MANAGEMENT PLAN RE-**
19 **QUIRED FOR EXISTING LANDS.**

20 The Federal agencies may not, for purposes of imple-
21 menting the record of decision, acquire any additional
22 lands for ecosystem restoration unless such agencies,
23 through the Secretary and by not later than January 1,
24 2003, develop a management plan for all lands acquired

1 by such agencies under such structure before the date of
2 the enactment of this Act.

3 **SEC. 110. ENVIRONMENTAL JUSTICE.**

4 It is the intent of the Congress that—

5 (1) implementation of the CALFED program
6 by the Federal agencies and State agencies should
7 fulfill the commitment to addressing environmental
8 justice challenges referred to in the CALFED Bay-
9 Delta Program Environmental Justice Workplan,
10 dated December 13, 2000;

11 (2) the Federal agencies and State agencies
12 should continue to collaborate to develop a com-
13 prehensive environmental justice workplan for the
14 CALFED program, including through continuation
15 of the functions of the CALFED-Bay Delta Envi-
16 ronmental Justice Workgroup; and

17 (3) the Water Security Board should collabo-
18 rate with such workgroup to ensure fulfillment of
19 the commitment referred to in paragraph (1).

1 **SEC. 111. LIMITATION ON FUNDING FOR NEW PROJECTS IN**
2 **CALIFORNIA UNDER THE RECLAMATION**
3 **WASTEWATER AND GROUNDWATER STUDY**
4 **AND FACILITIES ACT.**

5 (a) **LIMITATION.**—The Reclamation Wastewater and
6 Groundwater Study and Facilities Act (43 U.S.C. 390h
7 et seq.) is amended by adding at the end the following:

8 **“SEC. 1635. LIMITATION ON APPROPRIATIONS FOR CER-**
9 **TAIN PROJECTS IN CALIFORNIA.**

10 “Notwithstanding any other provision of law, of the
11 amount appropriated for a fiscal year under this title for
12 projects that were first authorized after the date of the
13 enactment of the Western Water Security Enhancement
14 Act, not more than 25 percent may be appropriated for
15 projects in California.”.

16 (b) **CLERICAL AMENDMENT.**—The table of contents
17 in section 2 of the Reclamation Projects Authorization and
18 Adjustment Act of 1992 (43 U.S.C. prec. 371; Public Law
19 102–575) is amended by adding at the end the following:

“Sec. 1635. Limitation on appropriations for certain projects in California.”.

20 **TITLE II—SMALL RECLAMATION**
21 **PROJECTS**

22 **SEC. 201. SHORT TITLE; REFERENCES.**

23 (a) **SHORT TITLE.**—This title may be cited as the
24 “Small Reclamation Water Resources Project Act of
25 2001”.

1 (b) REFERENCES.—Except as otherwise expressly
2 provided, whenever in this title an amendment or repeal
3 is expressed in terms of an amendment to, or repeal of,
4 a section or other provision, the reference shall be consid-
5 ered to be made to a section or other provision of the
6 Small Reclamation Projects Act of 1956 (43422 et seq.).

7 **SEC. 202. AMENDMENTS TO THE SMALL RECLAMATION**
8 **PROJECTS ACT OF 1956.**

9 (a) PURPOSE.—The first section (43 U.S.C. 422a) is
10 amended—

11 (1) by striking “under the” and inserting
12 “under this Act and other”; and

13 (2) by adding the following at the end: “Such
14 projects may include, but shall not be limited to, ir-
15 rigation projects. Irrigation shall not be a required
16 purpose for projects receiving assistance under this
17 Act. In providing assistance, the Secretary shall give
18 priority to recommended proposals that are related
19 to a project that is otherwise authorized under the
20 Federal reclamation laws and that will benefit from
21 assistance under this Act.”.

22 (b) DEFINITIONS.—Section 2 (43 U.S.C. 422b) is
23 amended—

24 (1) in paragraph (c), by striking “a State” and
25 inserting “an Indian Tribe, a State”;

1 (2) by striking paragraph (d) and inserting the
2 following:

3 “(d) The term ‘project’ means any of the following:

4 “(1) A multipurpose water resource develop-
5 ment carried out by a non-Federal organization in-
6 volving significant conservation of water, energy, and
7 the environment.

8 “(2) The rehabilitation, betterment, or retrofit
9 of any existing Federal or non-Federal water infra-
10 structure for purposes of complying with law and
11 regulations.

12 “(3) An activity described in paragraph (1) or
13 (2) that—

14 “(A) is carried out by a non-Federal orga-
15 nization under the Federal reclamation laws in
16 one or more of the 17 western reclamation
17 States, Hawaii, Alaska, the Commonwealth of
18 Puerto Rico, Guam, American Samoa, the Com-
19 monwealth of the Northern Mariana Islands,
20 the Virgin Islands, and the Trust Territory of
21 the Pacific Islands; and

22 “(B) in the case of an activity proposed for
23 any project that is authorized under the rec-
24 lamation laws immediately before the enactment
25 of the Small Reclamation Water Resources

1 Project Act of 2001, is determined by the Sec-
2 retary to be consistent with the purposes of
3 that project before that date of enactment.”;
4 and

5 (3) by striking paragraph (f) and inserting the
6 following:

7 “(f) The term ‘water quality improvements’ means
8 operational measures and physical features associated
9 with—

10 “(1) the reclamation and reuse of irrigation
11 drainage or municipal and industrial return flows,
12 including wastewater flows; or

13 “(2) the reclamation, or control, of brackish,
14 toxic, or impaired waters for beneficial reuse or pro-
15 tection of other related water, land, or environmental
16 resources.”.

17 (c) MODIFICATION OF LOAN AND GRANT PRO-
18 GRAMS.—The Small Reclamation Projects Act of 1956 is
19 amended—

20 (1) by striking sections 3 through 8 (43 U.S.C.
21 422c–422h); and

22 (2) by inserting after section 2 (43 U.S.C.
23 422b) the following:

1 **“TITLE I—STATE AND LOCAL**
2 **PARTICIPATION IN RECLAMA-**
3 **TION PROJECTS**

4 **“SEC. 101. LOAN, GRANT, AND LOAN GUARANTEE PRO-**
5 **GRAM.**

6 “There is hereby established a program within the
7 Bureau of Reclamation, under which the Secretary may
8 make loans, grants, and loan guarantees to any organiza-
9 tion to carry out a project.

10 **“SEC. 102. PROPOSAL CONTENTS AND REQUIREMENTS.**

11 “(a) IN GENERAL.—Any organization seeking assist-
12 ance under this title shall submit a proposal to the Sec-
13 retary in such form and manner as the Secretary may pre-
14 scribe. Any proposal for a project submitted under this
15 title shall set forth a plan and estimated cost in detail
16 comparable to those included in preauthorization reports
17 required for a project under the Federal reclamation laws.

18 “(b) LANDS AND WATERS.—Each proposal sub-
19 mitted under this title shall include a statement of finan-
20 cial capability and legal authority, and a resolution from
21 the governing board of the organization showing that the
22 organization seeking assistance—

23 “(1) holds or can acquire all lands and interests
24 in land (except public and other lands and interest
25 in land owned by the United States that are within

1 the administrative jurisdiction of the Secretary and
2 subject to disposition by the Secretary) to complete
3 the project;

4 “(2) holds or can acquire all rights, pursuant to
5 applicable State law, to the use of water necessary
6 for the successful construction, operation, and main-
7 tenance of the project;

8 “(3) is willing to finance, and capable of financ-
9 ing, the non-Federal portion of the costs of the
10 project, including all costs of acquiring lands, inter-
11 ests in land, and rights to the use of water, except
12 as provided in section 105(b)(2); and

13 “(4) has the legal authority and responsibility
14 under State law to carry out the project.

15 **“SEC. 103. FEDERAL SHARE AND PROJECT SPONSOR SHARE**
16 **OF COSTS.**

17 “(a) IN GENERAL.—The Secretary shall require each
18 organization receiving assistance under this title to con-
19 tribute toward the cost of the project (other than by loan
20 or grant of Federal funds) not less than 25 percent of
21 the costs of the project. The Secretary shall credit toward
22 the non-Federal cost share that amount—

23 “(1) the costs paid by the organization for in-
24 vestigations, surveys, engineering, administration,
25 and other services necessary for the preparation of

1 proposals and plans for the proposed project that
2 are required by the Secretary;

3 “(2) the value of lands, rights-of-way, and
4 water rights acquisition required for the proposed
5 project that are provided by the organization;

6 “(3) amounts spent by the organization for con-
7 struction or acquisition of facilities for the proposed
8 project prior to project approval; and

9 “(4) the fee required by section 403.

10 “(b) PREVENTION OF LOSS AND DAMAGE TO FISH
11 AND WILDLIFE.—The costs of measures to prevent loss
12 of, and damage to, existing fish and wildlife resources as
13 the result of a project for which assistance is provided
14 under this title shall be considered project costs and, for
15 purposes of reimbursement, shall be allocated as may be
16 appropriate among project functions.

17 “(c) MAXIMUM ALLOWABLE FEDERAL SHARE.—The
18 maximum allowable Federal share per project shall be
19 \$50,000,000 (January 2001 dollars).

20 “(d) INCREASE IN AMOUNT.—To compensate for in-
21 creases in construction costs due to price escalation, and
22 subject to subsection (c), the Secretary may increase the
23 amount of a loan or grant, or both, under this title for
24 a project at any time prior to the completion of construc-

1 tion of the project, using the Bureau of Reclamation's
2 composite construction cost trends index.

3 **“SEC. 104. APPROVAL OR DISAPPROVAL OF PROJECTS.**

4 “(a) IN GENERAL.—The Secretary shall determine
5 whether a proposal under this title is financially feasible
6 and constitutes a reasonable risk, and either approve or
7 disapprove the proposal, by not later than the later of—

8 “(1) one year after the date the proposal is sub-
9 mitted to the Secretary; or

10 “(2) the date of the completion of the appro-
11 priate documentation under the National Environ-
12 mental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

13 “(b) TRANSMITTAL TO CONGRESS.—

14 “(1) IN GENERAL.—Subject to paragraph (2),
15 the Secretary shall promptly transmit any approved
16 proposals to the Congress with a brief statement of
17 the project purposes and funding requirements.

18 “(2) COMPLETION OF DOCUMENTATION.—The
19 documentation required under the National Environ-
20 mental Policy Act of 1969 (42 U.S.C. 4321 et seq.)
21 for a proposed project must be completed before the
22 Secretary transmits the proposal to the Congress.

23 **“SEC. 105. CONTRACT TERMS AND CONDITIONS.**

24 “(a) IN GENERAL.—Upon approval of any project
25 proposal submitted under this title by an organization, the

1 Secretary shall negotiate with the organization a contract
2 establishing the terms under which assistance shall be pro-
3 vided under this title.

4 “(b) CONTRACT TERMS.—The contract shall include
5 the following:

6 “(1) The maximum amount of any grant, which
7 shall not exceed 50 percent of the maximum allow-
8 able Federal share of the costs of the project under
9 section 103.

10 “(2) The time and method of making any grant
11 or loan available to the organization.

12 “(3) Such terms and conditions as the Sec-
13 retary considers necessary or proper to provide as-
14 surance of, and security for, prompt repayment of
15 any loan and to ensure achievement of the purposes
16 for which the loan was made.

17 “(4) A plan for repayment by the organization
18 of any loan within 25 years, except that the organi-
19 zation shall have the right to prepay the loan or any
20 component thereof without penalty.

21 “(5) For any loan, payment of interest at a
22 rate established by the Secretary of the Treasury at
23 the beginning of the fiscal year in which the contract
24 is executed, that shall be based on the average mar-
25 ket yield on outstanding marketable obligations of

1 the United States with periods of maturity com-
 2 parable to the applicable repayment period of the
 3 loan.

4 “(c) LOANS PROJECTS BY INDIAN TRIBES.—

5 “(1) IN GENERAL.—For any project undertaken
 6 by an Indian tribe with assistance under this title,
 7 the Secretary shall—

8 “(A) determine, based on the findings in
 9 the proposal under section 102, the reimburs-
 10 able and nonreimbursable costs for the project
 11 constructed under this Act;

12 “(B) apportion those costs in accordance
 13 with the benefits received; and

14 “(C) allocate the reimbursable costs to the
 15 project beneficiaries.

16 “(2) LEAVITT ACT.—The Act of July 1, 1932
 17 (chapter 369; 25 U.S.C. 386a), popularly known as
 18 the ‘Leavitt Act’, shall not apply to loans made
 19 under this Act.

20 **“TITLE II—PARTNERSHIP**
 21 **PROGRAM**

22 **“SEC. 201. ESTABLISHMENT OF PARTNERSHIP PROGRAM.**

23 “(a) PROGRAM.—There is hereby established within
 24 the Bureau of Reclamation a small grant and loan pro-
 25 gram to be known as the Small Reclamation Water Re-

1 sources Management Partnership Program, to be carried
2 out under this title. The purpose of this program shall
3 be to implement projects that can be performed—

4 “(1) by the recipient organization’s workforce
5 or contractors,

6 “(2) with streamlined documentation, and

7 “(3) in a period of 18 months or less.

8 “(b) GRANTS.—Grants under this title shall not ex-
9 ceed \$5,000,000 for any one project under such program.
10 The Secretary shall require the recipient organization to
11 provide matching funds in an amount equal to 50 percent
12 of the amount of the grant.

13 “(c) LOANS.—Loans under this title shall not exceed
14 \$5,000,000 per project, and shall be subject to cost shar-
15 ing in the same manner as provided in title I. The contract
16 for each loan under this title shall require payment of in-
17 terest at a rate established by the Secretary of the Treas-
18 ury in the same manner as provided in section 105(b)(5)
19 for loans under title II.

20 **“SEC. 202. REPAYMENT OF LOANS.**

21 “Each loan made under this title shall be repaid with-
22 in the 5-year period beginning on the date the Secretary
23 certifies that work to be carried out with the loan is com-
24 pleted.

1 **“SEC. 203. ELIGIBLE ACTIVITIES.**

2 “(a) IN GENERAL.—The following types of activities
3 shall be eligible for grants or loans under this title:

4 “(1) Water conservation.

5 “(2) Water quality improvement projects.

6 “(3) Water management for urban landscapes.

7 “(4) Drought assistance.

8 “(5) Fish and wildlife improvements.

9 “(6) Public safety improvements.

10 “(7) Water supply, including water production,
11 conveyance, conservation, and management.

12 “(b) ADDITIONAL ACTIVITIES.—The Secretary may
13 add to the list of eligible activities under subsection (a)
14 as the Secretary considers appropriate, except that any
15 such addition shall not take effect until 60 days after the
16 Secretary publishes a notice of the proposed addition in
17 the Federal Register, and has notified the Committee on
18 Resources of the House of Representatives and the Com-
19 mittee on Energy and Natural Resources of the Senate
20 in writing of the proposed addition and the reasons there-
21 fore.

22 **“SEC. 204. APPLICATION PROCESS.**

23 “(a) NOTICE OF INTENT.—Each organization seek-
24 ing a grant or loan under this title shall submit a notice
25 of intent to the Secretary by April 1 of each year outlining
26 the proposed project and the public benefits thereof. With-

1 in two months, the Secretary shall provide a written re-
2 sponse to the organization, expressing either the Bureau
3 of Reclamation's interest or disinterest in participating in
4 the project.

5 “(b) APPLICATION.—30 days after receipt of a re-
6 sponse under subsection (a) expressing the Bureau of Rec-
7 lamation's interest in participating in a project, the orga-
8 nization may submit to the Secretary an appropriate loan
9 or grant application, giving details of the project and the
10 anticipated public benefits.

11 “(c) CONTENTS.—The application for any project
12 proposal under this title shall include each of the fol-
13 lowing:

14 “(1) A resolution by the board of directors of
15 the organization stating—

16 “(A) the total estimated project cost;

17 “(B) the amount of the grant or loan re-
18 quested;

19 “(C) the amount of the non-Federal con-
20 tribution for any grant;

21 “(D) the organization's ability to finance
22 and construct the project; and

23 “(E) the project objectives.

24 “(2) A summary of the proposal.

1 “(3) A brief description of the anticipated ef-
2 fects of the project on the environment.

3 “(4) Evidence that the organization has all
4 lands and water rights needed for the project, or can
5 obtain them and has legal authority and responsi-
6 bility under, State law to carry out the proposed
7 project.

8 “(5) A project plan, including a general map
9 showing the location of proposed physical features,
10 conceptual engineering drawings of major and typi-
11 cal structures, and general standards for design.

12 “(6) A construction schedule, with dates and a
13 schedule of funding requirements under this title, in
14 sufficient detail to provide an analysis of the pro-
15 posed construction program.

16 “(7) A description of the proposed Federal
17 funding for the project and of the non-Federal fund-
18 ing for the project.

19 “(d) COSTS.—The cost of any investigations and
20 preparation of any environmental documentation for a
21 project carried out with assistance under this title shall
22 be borne by the project applicant, and shall be credited
23 against the non-Federal cost share.

24 “(e) ANNUAL LISTING.—The Secretary shall include
25 in the annual budget justification for the Bureau of Rec-

1 lamation, a listing of the activities and total funding re-
2 quired for work committed to under this title.

3 **“SEC. 205. TERMS AND CONDITIONS OF PROJECT WORK.**

4 “The Secretary shall examine each project proposal
5 submitted under this title to determine if the project can
6 reasonably be expected to accomplish its purpose, and ap-
7 prove or disapprove such proposal by September 1 of the
8 year in which the application for assistance under this title
9 is submitted. If the Secretary approves the proposal, and
10 subject to the availability of appropriations, the Secretary
11 shall provide funding within 60 days after such approval
12 for work scheduled for the next fiscal year.

13 **“SEC. 206. LIMITATION ON PROJECT PROPOSALS.**

14 “Only one proposal may be submitted under this title
15 by an applicant in any 5-year period.

16 **“TITLE III—LOAN GUARANTEES**

17 **“SEC. 301. ESTABLISHMENT OF LOAN GUARANTEE PRO-**
18 **GRAM.**

19 “There is hereby established within the Bureau of
20 Reclamation a demonstration program to guarantee loans
21 for projects receiving, or eligible to receive, loans or grants
22 under title I or II of this Act.

23 **“SEC. 302. PROGRAM REQUIREMENTS.**

24 “(a) IN GENERAL.—The Secretary may provide sup-
25 port under the demonstration program to organizations

1 through the provision of loan guarantees for the purposes
2 for which assistance is authorized under titles I and II,
3 under such terms and conditions as are specified in this
4 section. Any proposal for a project submitted under this
5 title shall set forth a plan and estimated costs, in detail,
6 comparable to those required to be included in
7 preauthorization reports required for a project under the
8 Federal reclamation laws.

9 “(b) SELECTION OF RECIPIENTS.—The Secretary
10 shall adopt and use competitive procedures in the selection
11 of organizations to receive loan guarantees under this sec-
12 tion. In selecting any organization to receive a loan guar-
13 antee under this section, the Secretary shall consider, at
14 a minimum, the following:

15 “(1) The extent to which the loan guarantee
16 would support new water supplies or more efficient
17 use of existing supplies.

18 “(2) The repayment period of the guaranteed
19 loan.

20 “(3) The extent to which the loan guarantee
21 would provide for a project of wide public purpose.

22 “(4) Whether the loan guarantee would help the
23 organization comply with a Federal or State environ-
24 mental statute or regulation.

1 “(5) The extent to which the loan guarantee
2 would enable the organization to meet the needs of
3 other local water purveyors.

4 “(6) The extent to which the guaranteed loan
5 would support a program that would supplement,
6 rather than duplicate, other available water resource
7 programs.

8 “(7) The fiscal impact of the loan guarantee
9 program as a whole on other Bureau of Reclamation
10 programs.

11 “(c) APPORTIONMENT.—The total amount made
12 available to the Secretary for a fiscal year to cover the
13 costs of loan guarantees under this section shall be divided
14 between projects receiving or eligible to receive loans
15 under titles I and II, with title I projects receiving 75 per-
16 cent and title II projects receiving 25 percent.

17 “(d) MAXIMUM.—The maximum amount of a loan
18 guaranteed under this section may not exceed 75 percent
19 of the total cost of the project carried out with the loan.

20 “(e) LIMITATION ON USE OF LOAN.—No loan guar-
21 anteed under this title shall be used to cover the organiza-
22 tion’s local cost share for any project assisted under this
23 Act.

1 “(f) REPORTING.—Reporting and documentation re-
2 quirements under titles I and II shall similarly apply to
3 loan guarantees under this title.

4 “(g) STATE LAW.—For purposes of this Act, when
5 any bonds are issued by an organization to help finance
6 a project for which the organization is also receiving a loan
7 guarantee under this section, such bonds shall not be
8 treated as affecting the tax-exempt status of such bonds
9 under applicable State law.

10 “(h) FULL FAITH AND CREDIT.—Any loan guarantee
11 issued pursuant to this section shall constitute an obliga-
12 tion, in accordance with the terms of such guarantee, of
13 the United States Government, and the full faith and cred-
14 it of the United States is hereby pledged to the full per-
15 formance of the obligations.

16 “(i) REPORT.—At the end of the third fiscal year
17 after the enactment of this subsection, the Secretary shall
18 submit a report to the Congress on the beneficial use and
19 suggested improvements for use of loan guarantees under
20 this title as a mechanism for project construction.

21 **“SEC. 303. SUNSET.**

22 ““No loan guarantee may be issued under this title
23 in any fiscal year after the expiration of 10 full fiscal years
24 after initial funding of projects under the amendments

1 made by the Small Reclamation Water Resources Project
2 Act of 2001.

3 **“TITLE IV—GENERAL**
4 **PROVISIONS**

5 **“SEC. 401. PROPOSAL FEE.**

6 “The Secretary shall assess and collect a fee to defray
7 the cost of examining each proposal for a loan, grant, or
8 loan guarantee under this Act. The amount of the fee shall
9 be equal to \$5,000 or $\frac{1}{10}$ of 1 percent of the Federal share
10 of the costs of the proposed project, whichever is greater.
11 The Secretary shall require that 50 percent of the fee shall
12 accompany the application and the remainder shall be due
13 only upon approval of the project by the Secretary.

14 **“SEC. 402. MISCELLANEOUS PROVISIONS.**

15 “(a) TITLE.—Title to all project works and facilities
16 constructed with assistance under this Act shall remain
17 in the name of the organization.

18 “(b) COMBINED LOANS, GRANTS, AND LOAN GUAR-
19 ANTEES.—A project sponsor shall be eligible for a loan,
20 grant, loan guarantee, or combination thereof for a project
21 proposal under this Act. An applicant may submit one pro-
22 posal to be carried out with assistance under more than
23 one title under this Act. No organization shall be eligible
24 for an additional loan, grant, loan guarantee, or any com-
25 bination thereof for the same project that has previously

1 received approval for a loan, grant, or loan guarantee
2 under this Act within the prior five fiscal years.

3 “(c) PLANNING, CONSTRUCTION, OPERATION, AND
4 MAINTENANCE.—The United States shall not be required
5 to provide planning, construction, operation, and mainte-
6 nance of any project receiving a loan, grant or loan guar-
7 antee under this Act.

8 “(d) STATE WATER LAW.—Any project assisted
9 under this Act shall be carried out in accordance with ap-
10 plicable State water law.”.

11 (d) CONFORMING AMENDMENTS.—

12 (1) Sections 9 through 13 of the Small Rec-
13 lamation Projects Act of 1956 (43 U.S.C. 422i–
14 422k–1) are redesignated as sections 403 through
15 407, respectively.

16 (2) Section 404 of such Act, as redesignated by
17 paragraph (1) of this subsection, is amended as fol-
18 lows:

19 (A) By striking “section 3” and inserting
20 “title I”.

21 (B) By striking “effective October 1,
22 1986.” and inserting “for any fiscal year”.

23 (C) By striking “for loans and grants pur-
24 suant to this Act” and inserting “for loans and
25 grants pursuant to title I”.

1 (D) By striking “five years after the date
2 of enactment of this Act” and inserting “ten
3 years after the date of enactment of the Small
4 Reclamation Water Resources Project Act of
5 2001”.

6 (E) By striking “section 4(c)” and insert-
7 ing “title I”.

8 **SEC. 203. ADDITIONAL APPROPRIATIONS.**

9 Section 404 of the Small Reclamation Projects Act
10 of 1956 (43 U.S.C. 422j), as redesignated by section
11 202(d)(1) of this Act, is further amended—

12 (1) by striking “such sums” and all that follows
13 through “That the Secretary” and inserting “to
14 carry out this Act \$1,300,000,000 for fiscal years
15 after fiscal year 2001, of which \$900,000,000 may
16 be appropriated to carry out title I and to complete
17 ongoing projects under Public Law 84–984,
18 \$300,000,000 may be appropriated to carry out title
19 II, and \$100,000,000 may be appropriated to carry
20 out title III. Of funds authorized under this Act, not
21 more than 20 percent shall be used for projects to
22 be carried out by Indian tribes or in economically
23 disadvantaged communities. The Secretary”; and

24 (2) by striking “any single State” and all that
25 follows through “the Secretary is authorized to

1 waive” and inserting “in any single State. Funds ob-
2 ligated or expended for projects by Indian tribes
3 shall not be considered for purposes of the preceding
4 sentence. The Secretary may waive”.

5 **SEC. 204. GUIDELINES.**

6 Within 180 days after the date of enactment of this
7 Act, the Secretary of the Interior shall complete and pub-
8 lish such administrative guidelines as may be necessary
9 to carry out the amendments made by this title.

10 **SEC. 205. EFFECTIVE DATE.**

11 The amendments made by this title shall take effect
12 on the date of enactment of this Act. Nothing in this title
13 or in any amendment made by this title shall affect any
14 loan or grant that has been approved before the date of
15 enactment of this Act.

16 **SEC. 206. LIMITATION.**

17 Activities funded under this title shall not be consid-
18 ered a supplemental or additional benefit under the Act
19 of June 17, 1902 (82 Stat. 388), and all Acts amendatory
20 thereof or supplementary thereto.

21 **TITLE III—MISCELLANEOUS**

22 **SEC. 301. SECRETARIAL ACTIONS TO REDUCE CALIFOR-**
23 **NIA’S USE OF COLORADO RIVER WATER.**

24 (a) REVIEW.—The Secretary shall review programs
25 that are administered by the Department of the Interior

1 in furtherance of the goal of reducing California's use of
2 Colorado River water to its basic annual apportionment,
3 in a manner consistent with amounts and deadlines estab-
4 lished in the Interim Surplus Guidelines.

5 (b) UTILIZATION OF EXISTING PROGRAMS AND AU-
6 THORITIES.—The Secretary shall utilize existing programs
7 and authorities in furtherance of the goal of reducing Cali-
8 fornia's current use of Colorado River water.

9 (c) IDENTIFICATION OF STATUS OF ONGOING EF-
10 FORTS.—In preparing the operating plans described in
11 section 602(b) of the Colorado River Basin Project Act
12 of 1968, beginning with the operating plan for 2003, the
13 Secretary shall specifically identify and describe the status
14 of ongoing efforts to reduce California's current use of
15 Colorado River water.

16 (d) FUNDING TO ADDRESS IMPACTS OF QSA ON
17 SALTON SEA.—There is authorized to be appropriated to
18 the Secretary \$60,000,000 for activities to address envi-
19 ronmental impacts on the Salton Sea associated with im-
20 plementation of the Quantification Settlement Agreement.

21 **SEC. 302. WILLARD BAY RESERVOIR ENLARGEMENT STUDY.**

22 (a) AUTHORIZATION OF FEASIBILITY STUDY.—Pur-
23 suant to the reclamation laws, the Secretary, through the
24 Bureau of Reclamation, may conduct a feasibility study
25 on raising the height of Arthur V. Watkins Dam and

1 thereby enlarging the Willard Bay Reservoir for the devel-
2 opment of additional storage to meet water supply needs
3 within the Weber Basin Project area. The feasibility study
4 shall include such environmental evaluation as required
5 under the National Environmental Policy Act of 1969 and
6 a cost allocation as required under the Reclamation
7 Projects Act of 1939.

8 (b) REPORT.—Not later than 180 days after the date
9 of enactment of this Act, the Secretary shall submit a re-
10 port on the results of the study to the Congress for review
11 and approval.

12 (c) AUTHORIZATION OF APPROPRIATIONS.—There
13 are authorized to be appropriated to the Secretary to carry
14 out this section \$2,000,000.

15 **SEC. 303. AMENDMENTS TO THE FEDERAL WATER PROJECT**
16 **RECREATION ACT.**

17 (a) CONGRESSIONAL POLICY.—Section 1 of the Fed-
18 eral Water Project Recreation Act (16 U.S.C. 4601–12)
19 is amended by striking “public bodies” and inserting “en-
20 tities”.

21 (b) ALLOCATION OF COSTS.—Section 2 of the Fed-
22 eral Water Project Recreation Act (16 U.S.C. 4601–13(a)
23 and (b)) is amended—

24 (1) in subsection (a) by striking “before author-
25 ization of a project”;

1 (2) in subsection (a), by striking “public bod-
2 ies” and inserting “entities” and by striking
3 “Projects authorized during the calendar year” and
4 all that follows to the end of the subsection;

5 (3) in subsection (b) by striking “non-Federal
6 interests” each place it appears and inserting “non-
7 Federal entities”;

8 (4) in subsection (b)(2)—

9 (A) by striking “: *Provided*, That the
10 source of repayment may be limited to” and in-
11 serting “. The source of repayment may in-
12 clude”; and

13 (B) by inserting “and retained” after “col-
14 lected”; and

15 (5) in subsection (b)(2) by adding at the end
16 the following: “Fees and charges may be collected,
17 retained and used by the non-Federal entities for op-
18 eration, maintenance, and replacement of recreation
19 facilities on project lands and waters being managed
20 by the non-Federal entities. As established by the
21 Secretary, any excess revenues will be credited to the
22 Reclamation Fund to remain available, without fur-
23 ther Act of appropriation, to support recreation de-
24 velopment and management of Bureau of Reclama-
25 tion land and water areas.”.

1 (c) RECREATION AND FISH AND WILDLIFE EN-
2 HANCEMENT.—Section 3 of the Federal Water Project
3 Recreation Act (16 U.S.C. 460l–14) is amended—

4 (1) by striking subsection (a), redesignating
5 subsection (b) as subsection (a), and inserting after
6 subsection (a) (as so redesignated) the following:

7 “(b) In the absence of a non-Federal managing part-
8 ner, the Secretary of the Interior, acting through the Com-
9 missioner of Reclamation, is authorized, as a part of any
10 water resource development project under the Secretary’s
11 control heretofore or hereafter authorized or reauthorized,
12 investigate, plan, construct, replace, manage, operate and
13 maintain or otherwise provide for public use and enjoy-
14 ment of project lands, facilities, and water areas in a man-
15 ner coordinated with the other project purposes; the costs
16 of which are nonreimbursable.”;

17 (2) in subsection (a) (as so redesignated) by in-
18 serting “or enhance” after “project construction to
19 preserve”, by striking “enhancement potential” and
20 inserting “resources”, and by striking “public bod-
21 ies” each place it appears and striking “public body”
22 and inserting in lieu thereof “entities” and “entity”,
23 respectively;

1 (3) in subsection (c)(1)(B) by striking “public
2 body” each place it appears and inserting “entity”;
3 and

4 (4) by adding at the end of subsection (c) the
5 following:

6 “(3) In the absence of a non-Federal managing
7 partner, the Secretary of the Interior, acting
8 through the Commissioner of Reclamation, may
9 modify or expand existing facilities, the costs of
10 which are nonreimbursable.”.

11 (d) LEASE OF FACILITIES.—Section 4 of the Federal
12 Water Project Recreation Act (16 U.S.C. 460l–15) is re-
13 pealed.

14 (e) POST AUTHORIZATION DEVELOPMENT.—Section
15 5 of the Federal Water Project Recreation Act (16 U.S.C.
16 460l–16) is amended by striking “public bodies” and in-
17 serting “entities”.

18 (f) MISCELLANEOUS REPORTS.—Section 6 of the
19 Federal Water Project Recreation Act (16 U.S.C. 460l–
20 17) is amended—

21 (1) in subsection (e) by striking “and 5” and
22 inserting “and between 3 and 4”;

23 (2) in subsection (g) by striking “3(b)” and in-
24 serting “3(a)”; and

1 (3) in subsection (h) by striking “public bodies”
2 and inserting “entities”; and by striking “3(b)” and
3 inserting “3(a)”.

4 (g) MISCELLANEOUS REPORTS.—Section 6 of the
5 Federal Water Project Recreation Act (16 U.S.C. 460l–
6 17) is amended by adding at the end the following:

7 “(i) Amounts collected under section 2805 of Public
8 Law 102–575 for admission to or recreation use of project
9 land and waters shall be deposited in a special account
10 in the Reclamation Fund and remain available to the
11 Commissioner of Reclamation without further appropria-
12 tion until expended. Such funds may be used for the devel-
13 opment, reconstruction, replacement, management, and
14 operation of recreation resources on project lands and wa-
15 ters with not less than 60 percent being used at the site
16 from which the fees were collected.”.

17 (h) MANAGEMENT FOR RECREATION, FISH AND
18 WILDLIFE, AND OTHER RESOURCES.—Section 7 of the
19 Federal Water Project Recreation Act (16 U.S.C. 460l–
20 18(a)) is amended—

21 (1) by amending subsection (a) to read as fol-
22 lows:

23 “(a) The Secretary of the Interior, acting through the
24 Commissioner of Reclamation, is authorized, in conjunc-
25 tion with any water resource development project here-

1 tofore or hereafter constructed or which is otherwise under
2 the Secretary's control, to—

3 “(1) investigate, plan, design, construct, re-
4 place, manage, operate, and maintain or otherwise
5 provide for recreation and fish and wildlife enhance-
6 ment facilities and services, the costs of which may
7 be nonreimbursable;

8 “(2) provide for public use and enjoyment of
9 project lands, facilities, and water areas in a manner
10 coordinated with the other project purposes; and

11 “(3) to acquire or otherwise make available
12 such adjacent lands or interests therein as are nec-
13 essary for public recreation or fish and wildlife
14 use.”;

15 (2) in subsection (b), by inserting “, acting
16 through the Commissioner of Reclamation,” and in-
17 serting “and management” after “administration”;
18 and by striking “lease”; and by adding at the end
19 “‘All such agreements or contracts for administration
20 or management shall identify the terms and condi-
21 tions of administration, management, and use, ap-
22 provals required from Bureau of Reclamation, and
23 assure public access to project lands managed for
24 recreation.’”;

25 (3) by adding:

1 “(7) The Secretary of the Interior, acting
2 through the Commissioner of Reclamation, is also
3 authorized to enter into agreements with other non-
4 Federal entities for recreation and concession man-
5 agement at Bureau of Reclamation projects. All such
6 agreements or contracts for management shall iden-
7 tify the terms and conditions of management and
8 use, approvals required from the Bureau of Rec-
9 lamation, and assure public access to project lands
10 managed for recreation.”;

11 (4) by adding at the end:

12 “(e) The Secretary of the Interior, acting through the
13 Commissioner of Reclamation, is authorized to approve
14 the administration, management, and use of Bureau of
15 Reclamation lands, waters, and the resources thereon by
16 means of easements, leases, licenses, contracts, permits,
17 and other forms of conveyance instruments.

18 “(f) The Secretary of the Interior, acting through the
19 Commissioner of Reclamation, is authorized to produce
20 and/or sell to the public: information about Bureau of Rec-
21 lamation programs including publications, photographs,
22 computer discs, maps, brochures, posters, videos, and
23 other memorabilia related to the Bureau of Reclamation,
24 and the natural, historic, and cultural resources of the
25 area; and, other appropriate and suitable merchandise to

1 enhance the public’s use of the area. Income from such
2 sales shall be credited to the Reclamation Fund to remain
3 available, without further Act of appropriation, to pay
4 costs associated with the production and sale of items, and
5 any remaining revenue shall be available, without further
6 Act of appropriation, to support recreation development
7 and management of Bureau of Reclamation land and
8 water areas.”.

9 (i) DEFINITIONS.—Section 10 of the Federal Water
10 Project Recreation Act (16 U.S.C. 4601–21) is amended
11 by adding at the end the following:

12 “(f) The term ‘non-Federal entity’ means non-Fed-
13 eral public bodies, nonprofit organizations, Indian tribes,
14 or entities within the private sector.”.

15 (j) AUTHORIZATION OF APPROPRIATIONS.—Add at
16 the end of such Act the following:

17 **“SEC. 12. FUND AUTHORIZATIONS.**

18 “There is hereby authorized to be appropriated from
19 time to time such funds as may be required for the Sec-
20 retary of the Interior, acting through the Commissioner
21 of Reclamation to accomplish the purposes of this Act and
22 remain available until expended.”.

1 **SEC. 304. LIMITATIONS ON RECOVERY OF REIMBURSABLE**
2 **EXPENSES FOR VALVE REHABILITATION**
3 **PROJECT AT THE ARROWROCK DAM, BOISE**
4 **PROJECT, IDAHO.**

5 The Secretary of the Interior, in accepting payments
6 for the reimbursable expenses incurred for the replace-
7 ment, repair, and extraordinary maintenance with regard
8 to the Valve Rehabilitation Project at the Arrowrock Dam
9 on the Arrowrock Division of the Boise Project, Idaho—

10 (1) shall recover no more than \$6,900,000 of
11 such expenses according to the application of the
12 current formula for charging users for reimbursable
13 operation and maintenance expenses at Bureau of
14 Reclamation facilities on the Boise Project; and

15 (2) shall recover this portion of such expenses
16 over a period of not less than 15 years.

○