

WESTCAST Conference
Santa Fe, New Mexico

Washington Report

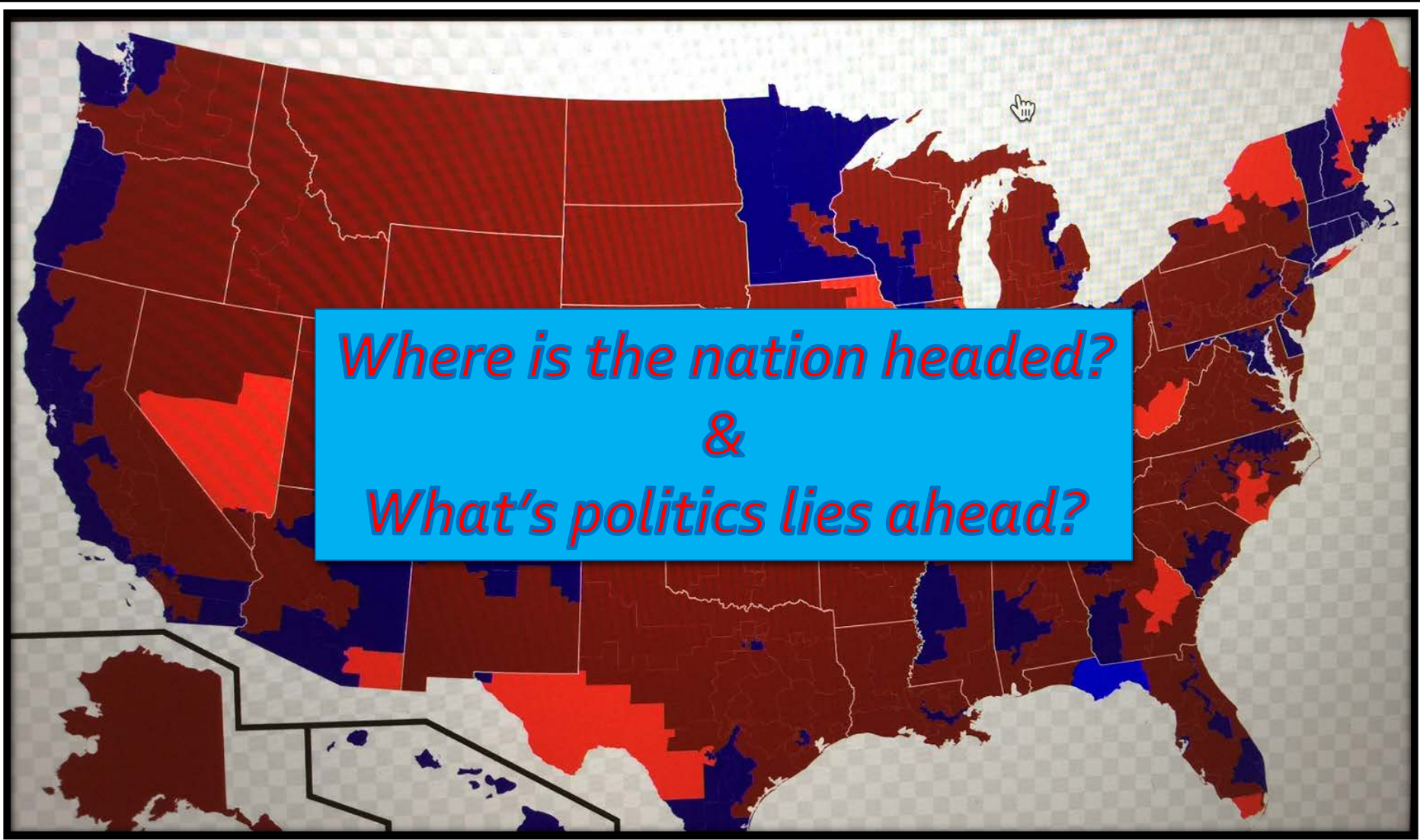
June 22, 2016



Hicks-Ray Associates

Report Items

- **So Little Time – Expectations for the 114th**
 - *When a majority doesn't win*
 - *Why the Senate can't get things done?*
 - *Will there be time to address WESTCAS issues?*
- **Review of Priority Legislative Issues**
 - *Henderson Regulatory/Legislative Fly-in*
- **Federal Legislation and Policy Updates**
 - *Water Resources Development Act (WRDA)*
 - *Feinstein-Flake Drought Bill*
 - *Lacey Act – Interstate Water Transfers – H.R. 5430*
 - *Appropriations – FY17 Energy & Water Bill*



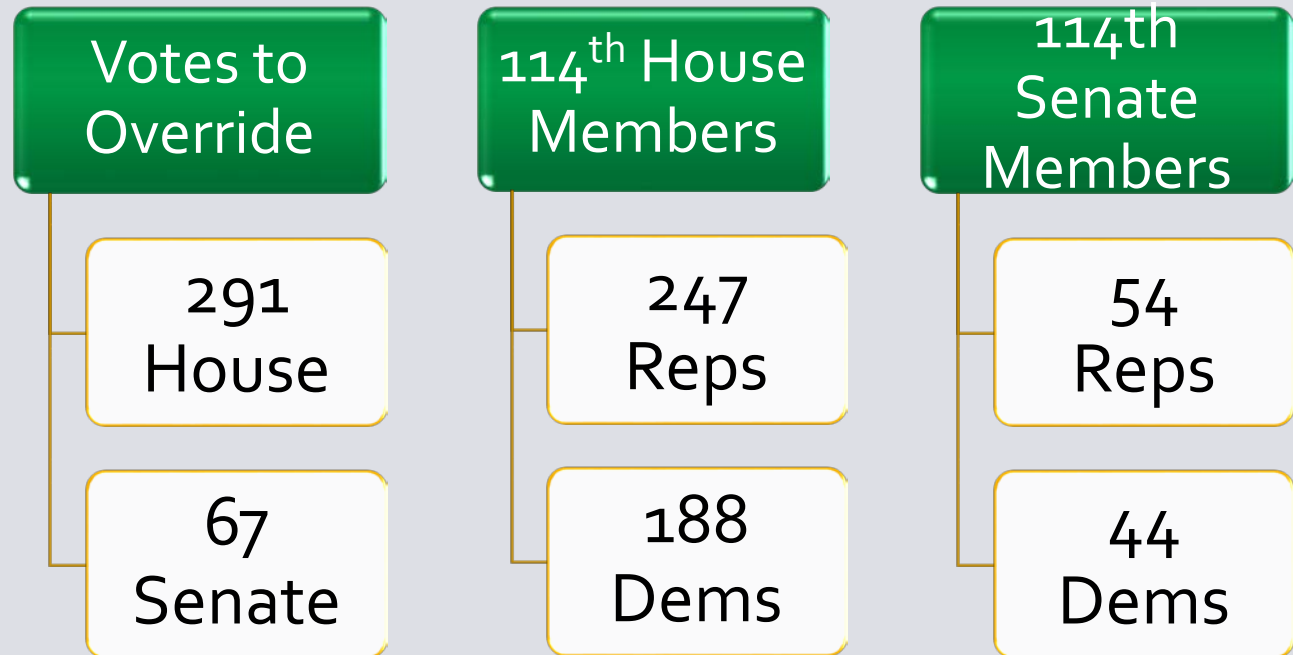


**A lot of money is spent on “redoing” the Capitol
...and its occupants.**

Why a majority isn't great!



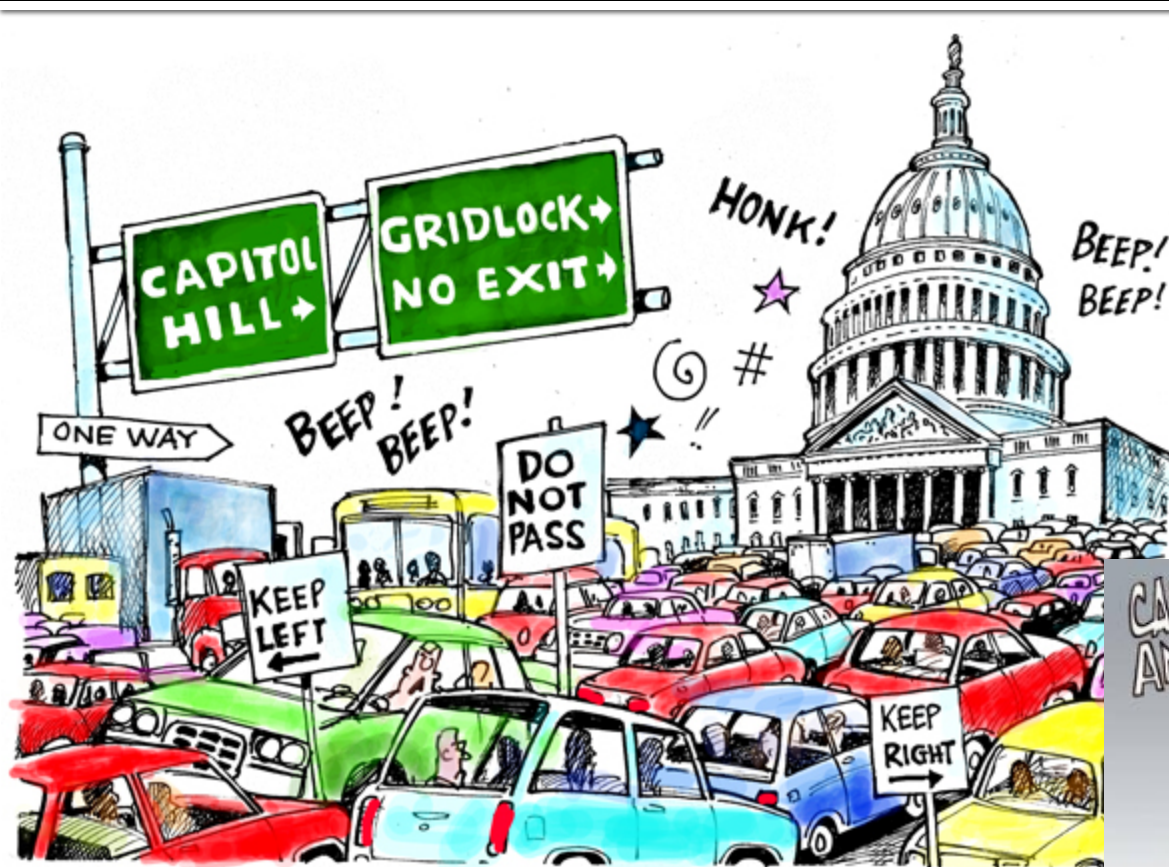
We've talked about the difficulty with overcoming a Presidential veto...



What about the difficulty of getting a bill to the President? Floor debate?

Major Problems in the Senate

Why can't the Senate get things done?



DAVE GRANLUND © www.davegranlund.com

Senate Committees are working... Appropriations, EPW, etc

But no momentum on the Senate floor...

WHY?



JUNE

M	T	W	T	F	S	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

JULY

M	T	W	T	F	S	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

AUGUST

M	T	W	T	F	S
1	2	3	4	5	6
8	9	10	11	12	13
15	16	17	18	19	20
22	23	24	25	26	27
29	30	31			

SEPTMBER

M	T	W	T	F	S	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

OCTOBER

M	T	W	T	F	S	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

NOVEMBER

M	T	W	T	F	S	
	1	2	3	4	5	
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

DECEMBER

M	T	W	T	F	S	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25

DAYS IN SESSION

[illegible]

Congressional Schedule

2nd Session

Congressional Schedule

2nd Session

Updates on Legislative Issues

**Is there time to address
WESTCAS issues?**



Reg/Leg Fly-in

Key Legislative Issues & Priorities

High Priority (>60%)

- Western Drought Legislation (Feinstein)
- Lacey Act & Interstate Transfers
- Water Conservation Rebates (Tax Issues)

Moderate Priority

- WRDA
- ESA Reform

Tracking & Coordinate

- WOTUS in 6th Circuit & Related Rulings
- Federal Funding

WESTERN DROUGHT LEGISLATION – *Key Points*

Valadao Bill

Feinstein-Flake Bill

Valadao bill (H.R. 2898)

- ▶ Changes current pumping restrictions on Central Valley water – California focused drought-relief (included in recent House amendment to Senate energy bill, S. 2012)

Feinstein bill (S. 2533)

- ▶ Increases size of federal programs to approve and pay for water infrastructure to provide the maximum quantity of water supplies to Central Valley

Flake bill (S. 2902)

- ▶ Also increases but for western water infrastructure



Lacey Act Legislation

*The ROAD to making Western
interstate water transfers compatible
with the Lacey Act*



Interstate Water Supply Transfer



Lacey Act Legislation – HR 5430 Introduced

GRESS
SION

H.R. 5430

pt from the Lacey Act and the Lacey
tain water transfers between any of the
and Louisiana.

IN THE HOUSE OF
JUN

Mr. GOHMERT (for himself, Mr.
Texas, Mr. SESSIONS, Mr. B
Mr. RATCLIFFE) introduced
Committee on Natural Re
the Judiciary, for a per
in each case for consid
tion of the committ

- Legislation recently introduced
 - Rep Gohmert has introduced H.R. 5430, the "Public Water Supply Invasive Species Compliance Act of 2016"
 - Addresses the concerns of water suppliers in Texas, Louisiana, and Arkansas
 - Exempts from Lacey Act if listed invasive species present in both states
 - Anticipate expansion to other states, including New Mexico, California and Colorado
 - Hearing on H.R. 5430 anticipated next week
- Working with Sabine River Authority, NTMWD, TRWD, Eastern MWD, & San Juan Wtr Cm
- Need WESTCAS support

Water Conservation Rebates

Tax Issues & Improving Incentives

- WESTCAS – Kelly Collins active member of Coalition
- TWCA – Following lead of WESTCAS and Coalition
- Ongoing efforts to broaden support for legislative fix



Moderate Priority Issues

WRDA 2016... *its moving with potential
for floor consideration
...higher priority
...WESTCAS comment letter for
consideration*







ESA Reform... *no major legislation
moving this Congress (Kiel Weaver)*

WRDA History

Pertinent events and marked changes or shifts in Corps authorizations



WRDA History

(1960-1986)		(1986-2000)						(2001-Present)					
Changing Priorities		Environmental Mission and Local Responsibility						Evolving Demands and Processes					
<p>Prior to 1986, long-standing disputes over cost-share, user fees, and env reqmts resulted in no major civil works legislation.</p>		★								★		★	★
		PL99-662	PL100-676	PL101-640	PL102-580		PL104-303	PL106-53 PL106-541		PL110-114		WRRDA of 2014	
Year		1986	1988	1990	1992		1996	1999-2001		2007		2014	2016
Congress	WRDA	99	100	101	102		104	106		110		113	
	No WRDA					103		105	107	108	109	111	112
													
								Washington Post article			Over-ride President's veto		

WRDA 2007 – Override Veto



On April 19, 2007, H.R.1495, sponsored by Rep. Jim Oberstar (D-Minn.)

- Passed 394-25.

House bill - \$13.2 billion
Senate bill - \$31.5 billion

\$23 billion

*This bill
lacks fiscal
discipline.*



Veto

Override Votes:

- House voted 361 - 54 (290 required)
- Senate voted 79 - 14 (67 required)

First veto override of Bush term

WRRDA 2014

Earmark restrictions:

for site-specific authorizations complicated WRDA enactment in the 111th and 112th Congresses.

WRRDA 2014, enacted June 10, 2014, addressed restrictions by:

- Authorized 34 construction projects
- Received agency review & Chief's reports
- Subject of a congressional hearing.

Altered processes for project delivery options:

- Expanded opportunities for nonfederal entities to lead projects,
- For innovative financing, including public-private partnerships



WRDA 2016

Expansive bill versus "Pamphlet" bill

S. 2848

Going beyond the scope of a typical WRDA, the Senate bill aims to increase water supply and improve crumbling drinking water and wastewater systems. To this end, the bill authorizes more than \$6 billion for programs under the Safe Drinking Water Act and Clean Water Act, including a \$220 million aid package to address the Flint, Michigan crisis

H.R. 5303:

"Regular action and oversight by Congress through the biannual WRDA process will ensure that the United States' infrastructure is prepared for future growth."

Chairman Shuster

WRDA 2016

S. 2848 – passes Senate Environment & Public Works Cmt, 19 – 1

- EPW Committee approves 19-1 on April 26, 2016
- Mega-bill in seven Titles
- Mega cost at ~ \$9.4B
- Stretches “traditional” WRDA by adding \$6B for Water & Wastewater
- \$6B for SDWA & CWA programs, \$220M to Flint
- Authorizes 27 projects with Chief Reports

H.R. 5303 – passes House Transportation & Infrastructure Cmt

- T&I Committee approves on May 25, 2016
- “Pamphlet” bill at ~ 100 pages
- Goal to achieve regular two-year cycle (Section 101)
- Approximately \$5 billion in federal funding for Corps activities
- Authorizes 28 projects with Chief Reports

WRDA 2016 – Positives & Obstacles

Chairman James Inhofe, Senate Environment and Public Works Committee, S. 2848

Positives

- * 2-year regular cycle
- * “tome” size (seven Titles)
- * De-authorizations

Obstacles

- * Need questioned
- * Cost (\$9 billion)
- * Limited time
- * Non-traditional WRDA

Chairman Bill Shuster, House Transportation and Infrastructure Committee, H.R. 5303

Positives

- * 2-year regular cycle
- * “pamphlet” size
- * 28 Chief rpt projects
- * De-authorizations
- * Bipartisan

Obstacles

- * Need questioned
- * Cost (\$5 billion)
- * Limited time (maybe)

Title VII of S. 2848

CLEAN WATER MEASURES

- Reauthorizes Sec 221 – to address combined, SSOs
- Small Treatment systems tech assistance (\$15M/yr)
- EPA to notify “integrated plans” opportunity

DRINKING WATER MEASURES

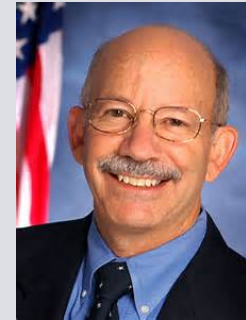
- \$100M DWSRF emergency situation funding
- Small & disadvantaged grants (\$1.4B over 5 yrs)
- Reducing lead - \$300M over 5 yrs)

WIFIA MEASURES

- Provides \$70M for “credit subsidies” for loan fund

Moving WRDA 2016 Forward

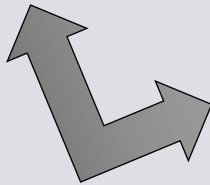
Working alliance of T&I Chair & Ranking Members of
Committee and Subcommittee



Moving WRDA 2016 Forward

Recent S. 2848 Briefing (June 7th)

1. With appropriations stalled – Move to floor this month
2. Susan Bodine preparing alternative “no harm” language (per concerns with Sec 1012 and Sec 1032)
3. Senate bill could be “lead” in Conference (TBD)



H.R. 5303 – based on recent discussions

1. Possibly in June timeframe
 - positive, bipartisan measure
 - prior to Republican convention
 - stalled appropriations (although effort to salvage)
2. Possibly after the June Republican convention
 - would severely limit available time (back in Sept)
 - pros and cons on taking bill to Convention
3. Press by Members to add amendments

Moving WRDA 2016 Forward

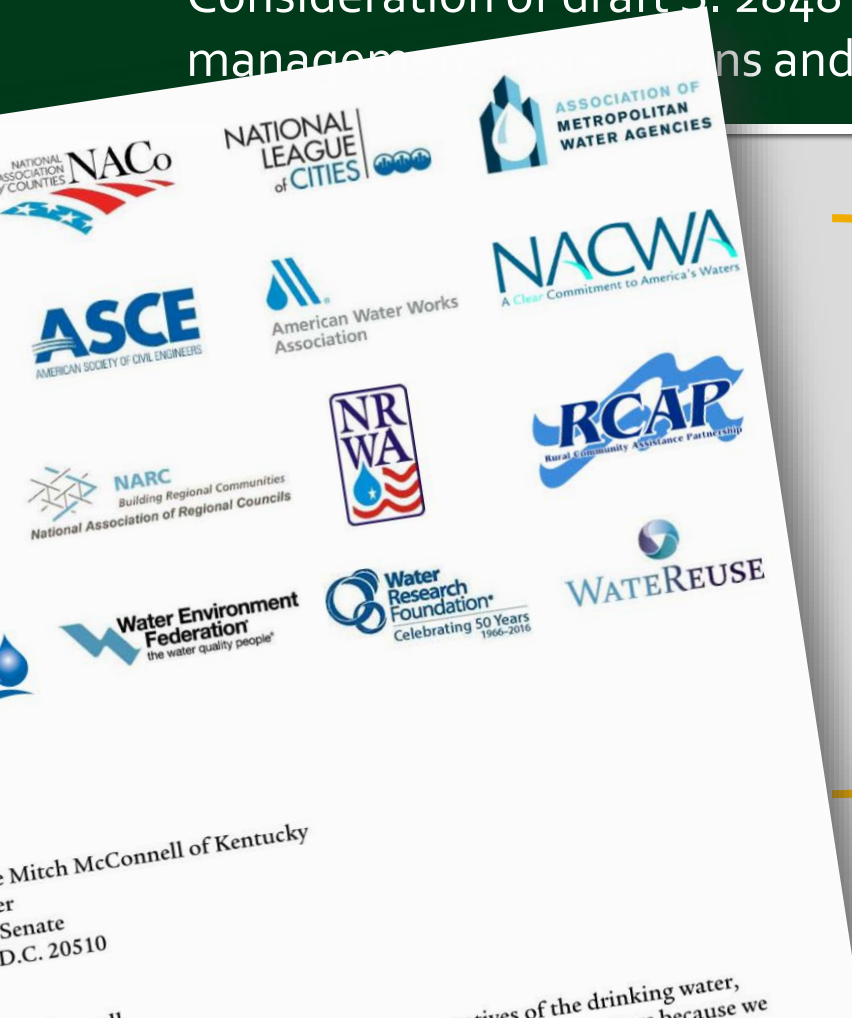
The push begins for the Senate bill...



"As expected, CBO has confirmed that WRDA is fully paid for and even saves taxpayers \$6 million over 10 years. With this scoring, Congress can now move forward on its constitutional duty to support our nation's infrastructure and interstate commerce. This bill is a win for every Member of Congress. It reflects hard work to address critical, apolitical needs across our nation to expand and modernize our ports and waterways to compete with the rest of world, support needed flood control projects, and provide support for clean water and safe drinking water infrastructure. As we've done with the FAST Act and TSCA reform, the Senate has an opportunity to now take up WRDA and show that we are working together for the good of the American people and fulfilling what they sent us here to do. As I've discussed with Leader McConnell, I am confident that we can quickly move this bill through the Senate in the remaining weeks of this work period."

WESTCAS Support Letter

Consideration of draft S. 2848 letter in collaboration with other water managers, associations and agencies



**WESTCAS consider
similar letter
supporting:**

- Expediate Senate floor time
- Support of Title VII – CWA & SDWA

**HRA prepared draft for review by WESTCAS
Board**

Recent Legislative Issues

- Appropriations – FY17 Energy & Water Bill
- WOTUS Updates

FY17 House Water & Environment Appropriations

Crops of Engineers Funding

- \$1,369,000,000

FY 2017
Admin:
Reduced
23%

- \$772,250,000

FY 2017
Admin:
Construct
Reduced
41%

+ \$1,469,330,000

FY 2017
House:
Plus-up

FY17 Water & Environment Appropriations

Corps of Engineers	<u>FY16</u>	<u>FY17 Request</u>	<u>FY17 House</u>
Investigations	\$121,000,000	\$85,000,000	120,000,000
Construction	\$1,862,000,000	\$1,090,000,000	1,945,000,000
O&M	\$2,412,000,000	\$2,682,000,000	



FY17 House Water & Environment Appropriations

BOR Water Resources Funding compared to FY16 Actual

**FY 2017
Admin:
Reduced
27.3%**

- \$305,570,000

**FY 2017
House:
Reduced
12%**

- \$136,000,000

FY17 Water & Environment Appropriations

Bureau of Reclamation

	<u>FY16</u>	<u>FY17 Request</u>	<u>FY17 House</u>
Water & Related Resources	\$1,118,972,000	\$813,402,000	\$982,972,000



FY17 Interior & Environment Appropriations

EPA Science & Technology Account

	<u>FY16</u>	<u>FY17 Request</u>	<u>FY17 Appropriation</u>
House	\$734,648,000	\$754,648,000	\$720,000,000
Senate	\$734,648,000	\$754,648,000	\$695,000,000

EPA Environmental Programs

	<u>FY16</u>	<u>FY17 Request</u>	<u>FY17 Appropriation</u>
House	\$2,617,679,000	\$2,852,893,000	\$2,538,545,000
Senate	\$2,617,679,000	\$2,852,893,000	\$2,521,421,000

EPA State & Tribal Assistance Grants

	<u>FY16</u>	<u>FY17 Request</u>	<u>FY17 Appropriation</u>
House	\$3,518,165,000	\$3,280,400,000	\$3,370,729,000
Senate	\$3,518,165,000	\$3,280,400,000	\$3,613,278,000

FY17 Interior & Environment Appropriations

EPA Clean Water SRF

	<u>FY16</u>	<u>FY17 Request</u>	<u>FY17 Appropriation</u>
House	\$139,388,700	\$979,500,000	\$100,000,000
Senate	\$139,388,700	\$979,500,000	\$135,000,000

EPA Drinking Water SRF

	<u>FY16</u>	<u>FY17 Request</u>	<u>FY17 Appropriation</u>
House	\$ 863,233,000	\$ 1,020,500,000	\$ 1,070,500,000
Senate	\$ 863,233,000	\$1,020,500,000	\$ 1,020,500,000

EPA WIFIA

	<u>Admin Fee</u>	<u>FY17 Request</u>	<u>FY17 Appropriation</u>
House	\$5,000,000	\$15,000,000	\$45,000,000
Senate	\$5,000,000	\$15,000,000	\$25,000,000

WOTUS Update



- Remains at 6th Circuit
- Recent Supreme Court decision is interesting but not directly related

Questions & Discussion

