To provide for long-term water supplies, optimal use of existing water supply infrastructure, and protection of existing water rights.

IN THE SENATE OF THE UNITED STATES

Mr. Flake (for himself, Mr. Barrasso, Mr. McCain, Mr. Risch, Mr. Heller, and Mr. Daines) introduced the following bill; which was read twice and referred to the Committee on ________

A BILL

To provide for long-term water supplies, optimal use of existing water supply infrastructure, and protection of existing water rights.

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

3 SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

4 (a) Short Title.—This Act may be cited as the “Western Water Supply and Planning Enhancement Act of 2016”.

7 (b) Table of Contents.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
TITLE I—LONG-TERM IMPROVEMENTS FOR WESTERN STATES SUBJECT TO DROUGHT

Subtitle A—Water Supply Improvements

Sec. 101. Reservoir operation improvement.
Sec. 102. Authority to make entire active capacity of Fontenelle Reservoir available for use.
Sec. 103. Saltcedar control efforts.
Sec. 104. Colorado River System.

Subtitle B—Protecting Critical Water Supply Watersheds

Sec. 111. Definitions.
Sec. 112. Analysis of only 2 alternatives in proposed collaborative management activities.
Sec. 113. Categorical exclusion to expedite certain critical response actions.
Sec. 114. Compliance with land use plan.

Subtitle C—Bureau of Reclamation Transparency Act

Sec. 121. Short title.
Sec. 122. Findings.
Sec. 123. Definitions.
Sec. 124. Asset management report enhancements for reserved works.
Sec. 125. Asset management report enhancements for transferred works.
Sec. 126. Offset.

Subtitle D—Water Supply Permitting Act

Sec. 131. Short title.
Sec. 132. Definitions.
Sec. 133. Establishment of lead agency and cooperating agencies.
Sec. 134. Bureau responsibilities.
Sec. 135. Cooperating agency responsibilities.
Sec. 136. Funding to process permits.

Subtitle E—Bureau of Reclamation Project Streamlining Act

Sec. 141. Short title.
Sec. 142. Definitions.
Sec. 143. Acceleration of studies.
Sec. 144. Expedited completion of reports.
Sec. 145. Project acceleration.
Sec. 146. Annual report to Congress.

TITLE II—PROTECTING EXISTING WATER RIGHTS

Sec. 201. Short title.
Sec. 203. Applicability.
Sec. 204. Prohibitions.
Sec. 205. Policy development.
Sec. 206. Effect of title.

TITLE III—COMPLETING AND MAINTAINING RURAL WATER SUPPLY INFRASTRUCTURE
Subtitles and Sections

Subtitle A—Irrigation Rehabilitation and Renovation for Indian Tribal Governments and Economies

Sec. 301. Short title.
Sec. 302. Definitions.

PART I—INDIAN IRRIGATION FUND

Sec. 311. Establishment.
Sec. 312. Deposits to Fund.
Sec. 313. Expenditures from Fund.
Sec. 314. Investments of amounts.
Sec. 315. Transfers of amounts.
Sec. 316. Termination.

PART II—REPAIR, REPLACEMENT, AND MAINTENANCE OF CERTAIN INDIAN IRRIGATION PROJECTS

Sec. 321. Repair, replacement, and maintenance of certain Indian irrigation projects.
Sec. 322. Eligible projects.
Sec. 323. Requirements and conditions.
Sec. 324. Study of Indian irrigation program and project management.
Sec. 325. Tribal consultation and user input.
Sec. 326. Allocation among projects.

Subtitle B—Clean Water for Rural Communities

Sec. 331. Short title.
Sec. 332. Purpose.
Sec. 333. Definitions.
Sec. 334. Dry-Redwater Regional Water Authority System and Musselshell-Judith Rural Water System.
Sec. 335. Use of power from Pick-Sloan program by Dry-Redwater Regional Water Authority System.
Sec. 336. Water rights.
Sec. 337. Authorization of appropriations.

TITLE IV—OFFSET

Sec. 401. Accelerated revenue, repayment, and surface water storage enhancement.
TITLE I—LONG-TERM IMPROVEMENTS FOR WESTERN STATES SUBJECT TO DROUGHT

Subtitle A—Water Supply Improvements

SEC. 101. RESERVOIR OPERATION IMPROVEMENT.

(a) DEFINITIONS.—In this section:

(1) RESERVED WORKS.—The term “reserved works” means any Bureau of Reclamation project facility at which the Secretary of the Interior carries out the operation and maintenance of the project facility.

(2) SECRETARY.—The term “Secretary” means the Secretary of the Army.

(3) TRANSFERRED WORKS.—The term “transferred works” means a Bureau of Reclamation project facility, the operation and maintenance of which is carried out by a non-Federal entity, under the provisions of a formal operation and maintenance transfer contract.

(4) TRANSFERRED WORKS OPERATING ENTITY.—The term “transferred works operating entity” means the organization that is contractually respon-
sible for operation and maintenance of transferred
works.

(b) REPORT.—Not later than 1 year after the date
of enactment of this Act, the Secretary shall submit to
the Committee on Environment and Public Works of the
Senate and the Committee on Transportation and Infra-
structure of the House of Representatives a report includ-
ing, for any State in which a county designated by the
Secretary of Agriculture as a drought disaster area during
water year 2015 is located, a list of projects, including
Corps of Engineers projects, and those non-Federal
projects and transferred works that are operated for flood
control in accordance with rules prescribed by the Sec-
retary pursuant to section 7 of the Act of December 22,
1944 (commonly known as the “Flood Control Act of
1944”) (58 Stat. 890, chapter 665), including, as applica-
ble—

(1) the year the original water control manual
was approved;

(2) the year for any subsequent revisions to the
water control plan and manual of the project;

(3) a list of projects for which—

(A) operational deviations for drought con-
tingency have been requested;

(B) the status of the request; and
(C) a description of how water conservation and water quality improvements were addressed; and

(4) a list of projects for which permanent or seasonal changes to storage allocations have been requested, and the status of the request.

(e) Project Identification.—Not later than 60 days after the date of completion of the report under subsection (b), the Secretary shall identify any projects described in the report—

(1) for which the modification of the water operations manuals, including flood control rule curve, would be likely to enhance existing authorized project purposes, including for water supply benefits and flood control operations;

(2) for which the water control manual and hydrometeorological information establishing the flood control rule curves of the project have not been substantially revised during the 15-year period ending on the date of review by the Secretary; and

(3) for which the non-Federal sponsor or sponsors of a Corps of Engineers project, the owner of a non-Federal project, or the non-Federal transferred works operating entity, as applicable, has submitted to the Secretary a written request to revise
water operations manuals, including flood control rule curves, based on the use of improved weather forecasting or run-off forecasting methods, new watershed data, changes to project operations, or structural improvements.

(d) PILOT PROJECTS.—

(1) IN GENERAL.—Not later than 1 year after the date of identification of projects under subsection (c), if any, the Secretary shall carry out not less than 15 pilot projects, which shall include not less than 6 non-Federal projects, to implement revisions of water operations manuals, including flood control rule curves, based on the best available science, which may include—

(A) forecast-informed operations;

(B) new watershed data, including data submitted by a non-Federal applicant; and

(C) if applicable, in the case of non-Federal projects, structural improvements.

(2) CONSULTATION.—In implementing a pilot project under this subsection, the Secretary shall consult with all affected interests, including—

(A) non-Federal entities responsible for operations and maintenance costs of a Federal facility;
(B) individuals and entities with storage entitlements; and

(C) local agencies with flood control responsibilities downstream of a facility.

(e) COORDINATION WITH NON-FEDERAL PROJECT ENTITIES.—If a project identified under subsection (c) is—

(1) a non-Federal project, the Secretary, prior to carrying out an activity under this section, shall—

(A) consult with the non-Federal project owner; and

(B) enter into a cooperative agreement, memorandum of understanding, or other agreement with the non-Federal project owner describing the scope and goals of the activity and the coordination among the parties; and

(2) a Federal project, the Secretary, prior to carrying out an activity under this section, shall—

(A) consult with each Federal and non-Federal entity (including a municipal water district, irrigation district, joint powers authority, transferred works operating entity, or other local governmental entity) that currently—
(i) manages (in whole or in part) a Federal dam or reservoir; or
(ii) is responsible for operations and maintenance costs; and
(B) enter into a cooperative agreement, memorandum of understanding, or other agreement with each such entity describing the scope and goals of the activity and the coordination among the parties.

(f) CONSIDERATION.—In designing and implementing a forecast-informed reservoir operations plan under subsection (d) or (g), the Secretary may consult with the appropriate agencies within the Department of the Interior and the Department of Commerce with expertise in atmospheric, meteorological, and hydrologic science to consider—

(1) the relationship between ocean and atmospheric conditions, including—

(A) the El Niño and La Niña cycles; and

(B) the potential for above-normal, normal, and below-normal rainfall for the coming water year, including consideration of atmospheric river forecasts;

(2) the precipitation and runoff index specific to the basin and watershed of the relevant dam or
reservoir, including incorporating knowledge of hydrological and meteorological conditions that influence the timing and quantity of runoff;

(3) improved hydrologic forecasting for precipitation, snowpack, and soil moisture conditions;

(4) an adjustment of operational flood control rule curves to optimize water supply storage and reliability, hydropower production, environmental benefits for flows and temperature, and other authorized project benefits, without a reduction in flood safety; and

(5) proactive management in response to changes in forecasts.

(g) FUNDING.—The Secretary may accept and expend amounts from non-Federal entities and other Federal agencies to fund all or a portion of the cost of carrying out a review or revision of operational documents, including water control plans, water control manuals, water control diagrams, release schedules, rule curves, operational agreements with non-Federal entities, and any associated environmental documentation for—

(1) a Corps of Engineers project;

(2) a non-Federal project regulated for flood control by the Secretary; or
(3) a Bureau of Reclamation facility regulated for flood control by the Secretary.

(h) Effect.—

(1) Manual Revisions.—A revision of a manual shall not interfere with the authorized purposes of a Federal project or the existing purposes of a non-Federal project regulated for flood control by the Secretary.

(2) Effect of Section.—

(A) Nothing in this section authorizes the Secretary to carry out, at a Federal dam or reservoir, any project or activity for a purpose not otherwise authorized as of the date of enactment of this Act.

(B) Nothing in this section affects or modifies any obligation of the Secretary under State law.

(C) Nothing in this section affects or modifies any obligation to comply with any applicable Federal law.

(D) This section only applies to facilities located in a State in which a Bureau of Reclamation project is located.

(3) Bureau of Reclamation Reserved Works Excluded.—This section—
(A) shall not apply to any dam or reservoir operated by the Bureau of Reclamation as a reserved work, unless all non-Federal project sponsors of a reserved work jointly provide to the Secretary a written request for application of this section to the project; and

(B) shall apply only to Bureau of Reclamation transferred works at the written request of the transferred works operating entity.

(i) PRIOR STUDIES.—In carrying out subsections (b), (c), and (d), to the maximum extent practicable, the Secretary shall—

(1) coordinate with the efforts of the Secretary to complete the reports required under subparagraphs (A)(iii) and (B) of subsection (a)(2) of section 1046 of the Water Resources Reform and Development Act of 2014 (33 U.S.C. 2319 note; 128 Stat. 1251); and

(2) consider the findings of the reports described in paragraph (1) if the reports are available prior to carrying out subsections (b), (c), and (d).

(j) MODIFICATIONS TO MANUALS AND CURVES.—Not later than 180 days after the date of completion of a modification to an operations manual or flood control rule curve, the Secretary shall submit to the Committee
SEC. 102. AUTHORITY TO MAKE ENTIRE ACTIVE CAPACITY OF FONTENELLE RESERVOIR AVAILABLE FOR USE.

(a) In General.—The Secretary of the Interior, in cooperation with the State of Wyoming, may amend the Definite Plan Report for the Seedskadee Project authorized under the first section of the Act of April 11, 1956 (commonly known as the “Colorado River Storage Project Act”) (43 U.S.C. 620), to provide for the study, design, planning, and construction activities that will enable the use of all active storage capacity (as may be defined or limited by legal, hydrologic, structural, engineering, economic, and environmental considerations) of Fontenelle Dam and Reservoir, including the placement of sufficient riprap on the upstream face of Fontenelle Dam to allow the active storage capacity of Fontenelle Reservoir to be used for those purposes for which the Seedskadee Project was authorized.

(b) Cooperative Agreements.—
(1) In general.—The Secretary of the Interior may enter into any contract, grant, cooperative agreement, or other agreement that is necessary to carry out subsection (a).

(2) State of Wyoming.—

(A) In general.—The Secretary of the Interior shall enter into a cooperative agreement with the State of Wyoming to work in cooperation and collaboratively with the State of Wyoming for planning, design, related preconstruction activities, and construction of any modification of the Fontenelle Dam under subsection (a).

(B) Requirements.—The cooperative agreement under subparagraph (A) shall, at a minimum, specify the responsibilities of the Secretary of the Interior and the State of Wyoming with respect to—

(i) completing the planning and final design of the modification of the Fontenelle Dam under subsection (a);

(ii) any environmental and cultural resource compliance activities required for the modification of the Fontenelle Dam
under subsection (a) including compliance with—

(I) the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.);

(II) the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.); and

(III) subdivision 2 of division A of subtitle III of title 54, United States Code; and

(iii) the construction of the modification of the Fontenelle Dam under subsection (a).

(e) FUNDING BY STATE OF WYOMING.—Pursuant to the Act of March 4, 1921 (41 Stat. 1404, chapter 161; 43 U.S.C. 395), and as a condition of providing any additional storage under subsection (a), the State of Wyoming shall provide to the Secretary of the Interior funds for any work carried out under subsection (a).

(d) OTHER CONTRACTING AUTHORITY.—

(1) IN GENERAL.—The Secretary of the Interior may enter into contracts with the State of Wyoming, on such terms and conditions as the Secretary of the Interior and the State of Wyoming may agree,
for division of any additional active capacity made
available under subsection (a).

(2) TERMS AND CONDITIONS.—Unless other-
wise agreed to by the Secretary of the Interior and
the State of Wyoming, a contract entered into under
paragraph (1) shall be subject to the terms and con-
ditions of Bureau of Reclamation Contract No. 14–
06–400–2474 and Bureau of Reclamation Contract
No. 14–06–400–6193.

(e) SAVINGS PROVISIONS.—Unless expressly provided
in this section, nothing in this section modifies, conflicts
with, preempts, or otherwise affects—

(1) the Act of December 31, 1928 (43 U.S.C.
617 et seq.) (commonly known as the “Boulder Can-
yon Project Act”);

(2) the Colorado River Compact of 1922, as ap-
proved by the Presidential Proclamation of June 25,
1929 (46 Stat. 3000);

(3) the Act of July 19, 1940 (43 U.S.C. 618
et seq.) (commonly known as the “Boulder Canyon
Project Adjustment Act”);

(4) the Treaty between the United States of
America and Mexico relating to the utilization of
waters of the Colorado and Tijuana Rivers and of
the Rio Grande, and supplementary protocol signed
November 14, 1944, signed at Washington February 3, 1944 (59 Stat. 1219); (5) the Upper Colorado River Basin Compact as consented to by the Act of April 6, 1949 (63 Stat. 31); (6) the Act of April 11, 1956 (commonly known as the “Colorado River Storage Project Act”) (43 U.S.C. 620 et seq.); (7) the Colorado River Basin Project Act (Public Law 90–537; 82 Stat. 885); or (8) any law of the State of Wyoming or other State.

SEC. 103. SALTCEDAR CONTROL EFFORTS.

(a) STUDY.—The Secretary of the Interior, consistent with applicable laws (including regulations) and in coordination with the Secretary of Agriculture, shall enter into an arrangement with the National Academy of Sciences under which the National Academy of Sciences shall conduct a comprehensive study, to be completed not later than 1 year after the date of enactment of this Act, on the effectiveness and environmental impacts of salteedar biological and mechanical control efforts on increasing water supplies and improving riparian habitats, including—
(1) a list of Federal permits that would be required for any program to implement saltcedar biological and mechanical controls; and

(2) a list of existing programs, authorities, or technical assistance opportunities that are currently available to such a program.

(b) REPORT.—

(1) IN GENERAL.—Not later than 180 days after the date of completion of the study under subsection (a), the Secretary of the Interior shall submit to the Committees on Appropriations and Natural Resources of the House of Representatives and the Committees on Appropriations and Energy and Natural Resources of the Senate a report that, taking into consideration the results of the study, describes a feasible plan to implement a tamarisk control plan, as described in the Bureau of Reclamation study entitled “Colorado River Basin Water Supply and Demand Study” and dated December 2012, including a description of applicable timelines and costs.

(2) INCLUSIONS.—The report submitted under paragraph (1) shall include—

(A) provisions for revegetating Federal land with native vegetation;
provisions for adapting to the increasing presence of biological control in the Lower Colorado River basin;

(C) provisions for removing salteedar from Federal land during post-wildfire recovery activities;

(D) strategies for developing partnerships with State, tribal, and local governmental entities in the eradication of salteedar; and

(E) budget estimates and completion timelines for the implementation of plan elements.

SEC. 104. COLORADO RIVER SYSTEM.

Title II of the Energy and Water Development and Related Agencies Appropriations Act, 2015 (division D of Public Law 113–235) is amended by striking section 206 (43 U.S.C. 620 note; 128 Stat. 2312) and inserting the following:

"SEC. 206. COLORADO RIVER SYSTEM.

"(a) In General.—Notwithstanding any other provision of law, as soon as practicable after the date of enactment of the Western Water Supply and Planning Enhancement Act of 2016, the Secretary of the Interior (referred to in this section as the ‘Secretary’) shall—
“(1) fund or participate in projects to increase Colorado River System water in Lake Mead and the initial units of Colorado River Storage Project reservoirs, as authorized by the first section of the Act of April 11, 1956 (commonly known as the ‘Colorado River Storage Project Act’) (43 U.S.C. 620), to address the effects of historic drought conditions; and

“(2) not release or allow diversion of water in the same calendar year that the water was voluntarily contributed to increase the active storage of Lake Mead pursuant to—

“(A) the Memorandum of Understanding among the United States of America, through the Department of the Interior, Bureau of Reclamation, the Central Arizona Water Conservation District, the Metropolitan Water District of Southern California, the Southern Nevada Water Authority, the Arizona Department of Water Resources, the Colorado River Board of California, and the Colorado River Commission of Nevada for Pilot Drought Response Actions, entered into December 10, 2014; or

“(B) the Pilot System Conservation program carried out consistent with this section
(as in existence on the day before the date of enactment of the Western Water Supply and Planning Enhancement Act of 2016).

“(b) ADMINISTRATION.—Projects under this section may be funded through—

“(1) grants by the Secretary to public entities that use water from the Colorado River Basin for municipal purposes for projects that are implemented by 1 or more non-Federal entities; or

“(2) grants or other appropriate financial agreements to provide additional funds for renewing or implementing water conservation agreements that are in existence on the date of enactment of the Western Water Supply and Planning Enhancement Act of 2016.

“(c) LIMITATION.—Funds in the Upper Colorado River Basin Fund established by section 5 of the Act of April 11, 1956 (commonly known as the ‘Colorado River Storage Project Act’) (43 U.S.C. 620d), and the Lower Colorado River Basin Development Fund established by section 403 of the Colorado River Basin Project Act (43 U.S.C. 1543) shall not be used to carry out this section.

“(d) REPORT AND RECOMMENDATION.—Not later than September 30, 2026, the Secretary shall submit to the Committees on Appropriations and Natural Resources
of the House of Representatives and the Committees on Appropriations and Energy and Natural Resources of the Senate a report evaluating the effectiveness of the projects described in subsection (a).

"(e) Appropriations.—There is authorized to be appropriated to the Bureau of Reclamation to carry out this section $10,000,000 for each of fiscal years 2017 through 2027, to remain available until expended.”.

Subtitle B—Protecting Critical Water Supply Watersheds

SEC. 111. DEFINITIONS.

In this subtitle:

(1) CATEGORICAL EXCLUSION.—The term “categorical exclusion” means an exception to the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) for a project or activity relating to the management of National Forest System land or public land.

(2) COLLABORATIVE PROCESS.—The term “collaborative process” means a process relating to the management of National Forest System land or public land by which a project or activity is developed and implemented by the Secretary concerned through collaboration with interested persons, as described in section 603(b)(1)(C) of the Healthy For-
(3) Community wildfire protection plan.—The term “community wildfire protection plan” has the meaning given that term in section 101 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6511).

(4) Fire behavior model.—The term “fire behavior model” means a predictive model used by the Forest Service or Bureau of Land Management that—

(A) describes potential fire behavior;

(B) is capable of distinguishing among surface fire, passive crown fire, and active crown fire; and

(C) uses, at a minimum, the inputs of—

(i) existing vegetation;

(ii) potential weather; and

(iii) fuel moisture conditions.

(5) Land use plan.—The term “land use plan” means—

(A) a land use plan prepared by the Bureau of Land Management for public land pursuant to section 202 of the Federal Land Policy
and Management Act of 1976 (43 U.S.C. 1712); or

(B) a land and resource management plan prepared by the Forest Service for a unit of the National Forest System pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604).

(6) MANAGEMENT ACTIVITY.—The term “management activity” means a project or activity carried out by the Secretary concerned on National Forest System land or public land in concert with the land use plan covering the land.

(7) NATIONAL FIRE DANGER RATING SYSTEM.—The term “national fire danger rating system” means the rating system used by the Forest Service and the Bureau of Land Management that communicates wildfire danger on a 5-category scale of—

(A) low;

(B) moderate;

(C) high;

(D) very high; and

(E) extreme.
(8) National Forest System.—The term “National Forest System” has the meaning given the term in section 11(a) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1609(a)).

(9) Public Land.—

(A) In General.—Except as provided in subparagraph (B), the term “public land” has the meaning given the term “public lands” in section 103 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702).

(B) Exception.—The term “public land” includes Coos Bay Wagon Road Grant land and Oregon and California Railroad Grant land.

(10) Resource Advisory Committee.—The term “resource advisory committee” means—

(A) a resource advisory committee (as defined in section 201 of the Secure Rural Schools and Community Self-Determination Act of 2000 (16 U.S.C. 7121)), with respect to the Forest Service; and

(B) an advisory council established under section 309(a) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1739(a)),
with respect to the Bureau of Land Management.

(11) Secretary concerned.—The term “Secretary concerned” means—

(A) the Secretary of Agriculture, with respect to National Forest System land; and

(B) the Secretary of the Interior, with respect to public land.

SEC. 112. ANALYSIS OF ONLY 2 ALTERNATIVES IN PROPOSED COLLABORATIVE MANAGEMENT ACTIVITIES.

(a) Application to certain environmental assessments and environmental impact statements.—This section shall apply whenever the Secretary concerned prepares an environmental assessment or an environmental impact statement pursuant to section 102(2) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)) for a project that meets the following criteria:

(1) The primary purpose of the management activity is—

(A) to address an insect or disease infestation;

(B) to reduce hazardous fuel loads;
(C) to control medusahead rye, cheatgrass, or another noxious or invasive weed specified on a Federal or State noxious weeds list;

(D) to protect a municipal water source;

(E) to maintain, enhance, or modify critical habitat to ensure protection from catastrophic disturbances;

(F) to increase water yield; or

(G) any combination of the purposes specified in subparagraphs (A) through (F).

(2) The management activity—

(A) is developed through a collaborative process;

(B) is proposed by a resource advisory committee;

(C) is covered by a community wildfire protection plan; or

(D) covers an area—

(i) with a rating on the national fire danger rating system of—

(I) high;

(II) very high; or

(III) extreme; and

(ii) in which not less than 50 percent of the acres have a predicted potential fire
behavior, as determined using a fire behavior model, of—

(I) passive crown fire; or

(II) active crown fire.

(b) CONSIDERATION OF ALTERNATIVES.—In an environmental assessment or environmental impact statement described in subsection (a), the Secretary concerned shall study, develop, and describe only the following 2 alternatives:

(1) The management activity, as proposed pursuant to subsection (a).

(2) The alternative of no action.

(c) ELEMENTS OF NONACTION ALTERNATIVE.—In the case of the alternative of no action, the Secretary concerned shall evaluate—

(1) the effect of no action on—

(A) forest or wildland health;

(B) habitat diversity;

(C) wildfire potential; and

(D) insect and disease potential; and

(2) the implications of a resulting decline in forest or wildland health, loss of habitat diversity, wildfire, spread of noxious or invasive weeds, or insect or disease infestation, given fire and insect and disease historic cycles, on—
(A) domestic water costs;
(B) wildlife habitat loss; and
(C) other economic and social factors.

SEC. 113. CATEGORICAL EXCLUSION TO EXPEDITE CERTAIN CRITICAL RESPONSE ACTIONS.

(a) AVAILABILITY OF CATEGORICAL EXCLUSION.—A categorical exclusion is available to the Secretary concerned to develop and carry out a management activity on National Forest System land or public land if the primary purpose of the management activity is—

(1) to protect a municipal water source;
(2) to increase water yield;
(3) to reduce hazardous fuel loads;
(4) to control medusahead rye, cheatgrass, or another noxious or invasive weed specified on a Federal or State noxious weeds list;
(5) to maintain, enhance, or modify critical habitat to protect the habitat from catastrophic disturbances; or
(6) any combination of the purposes specified in paragraphs (1) through (5).

(b) ACREAGE LIMITATIONS.—

(1) IN GENERAL.—Except in the case of a management activity described in paragraph (2), a management activity covered by the categorical exclusion
granted by subsection (a) may not contain a project exceeding a total of 5,000 acres.

(2) LARGER AREAS AUTHORIZED.—A management activity covered by the categorical exclusion granted by subsection (a) may not contain a project exceeding a total of 15,000 acres if the management activity—

(A) is developed through a collaborative process;

(B) is proposed by a resource advisory committee;

(C) is covered by a community wildfire protection plan; or

(D) covers an area—

(i) with a rating on the national fire danger rating system of—

(I) high;

(II) very high; or

(III) extreme; and

(ii) in which not less than 50 percent of the acres have a predicted potential fire behavior, [as determined using a fire behavior model,] of—

(I) passive crown fire; or

(II) active crown fire.
SEC. 114. COMPLIANCE WITH LAND USE PLAN.

A management activity covered by a categorical exclusion granted by this subtitle shall be conducted in a manner consistent with the land use plan applicable to the relevant National Forest System land or public land.

Subtitle C—Bureau of Reclamation Transparency Act

SEC. 121. SHORT TITLE.

This subtitle may be cited as the “Bureau of Reclamation Transparency Act”.

SEC. 122. FINDINGS.

Congress finds that—

(1) the water resources infrastructure of the Bureau of Reclamation provides important benefits related to irrigated agriculture, municipal and industrial water, hydropower, flood control, fish and wildlife, and recreation in the 17 Reclamation States;

(2) as of 2013, the combined replacement value of the infrastructure assets of the Bureau of Reclamation was $94,500,000,000;

(3) the majority of the water resources infrastructure facilities of the Bureau of Reclamation are at least 60 years old;

(4) the Bureau of Reclamation has previously undertaken efforts to better manage the assets of the Bureau of Reclamation, including an annual re-
view of asset maintenance activities of the Bureau of
Reclamation known as the “Asset Management
Plan”; and

(5) actionable information on infrastructure
conditions at the asset level, including information
on maintenance needs at individual assets due to
aging infrastructure, is needed for Congress to con-
duct oversight of Reclamation facilities and meet the
needs of the public.

SEC. 123. DEFINITIONS.

In this subtitle:

(1) Asset.—

(A) In general.—The term “asset”
means any of the following assets that are used
to achieve the mission of the Bureau of Recl-
amation to manage, develop, and protect water
and related resources in an environmentally and
economically sound manner in the interest of
the people of the United States:

(i) Capitalized facilities, buildings,
structures, project features, power produc-
tion equipment, recreation facilities, or
quarters.
(ii) Capitalized and noncapitalized heavy equipment and other installed equipment.

(B) INCLUSIONS.—The term “asset” includes assets described in subparagraph (A) that are considered to be mission critical.

(2) ASSET MANAGEMENT REPORT.—The term “Asset Management Report” means—

(A) the annual plan prepared by the Bureau of Reclamation known as the “Asset Management Plan”; and

(B) any publicly available information relating to the plan described in subparagraph (A) that summarizes the efforts of the Bureau of Reclamation to evaluate and manage infrastructure assets of the Bureau of Reclamation.

(3) MAJOR REPAIR AND REHABILITATION NEED.—The term “major repair and rehabilitation need” means major nonrecurring maintenance at a Reclamation facility, including maintenance related to the safety of dams, extraordinary maintenance of dams, deferred major maintenance activities, and all other significant repairs and extraordinary maintenance.
(4) Reclamation facility.—The term “Reclamation facility” means each of the infrastructure assets that are owned by the Bureau of Reclamation at a Reclamation project.

(5) Reclamation project.—The term “Reclamation project” means a project that is owned by the Bureau of Reclamation, including all reserved works and transferred works owned by the Bureau of Reclamation.

(6) Reserved works.—The term “reserved works” means buildings, structures, facilities, or equipment that are owned by the Bureau of Reclamation for which operations and maintenance are performed by employees of the Bureau of Reclamation or through a contract entered into by the Bureau of Reclamation, regardless of the source of funding for the operations and maintenance.

(7) Secretary.—The term “Secretary” means the Secretary of the Interior.

(8) Transferred works.—The term “transferred works” means a Reclamation facility at which operations and maintenance of the facility is carried out by a non-Federal entity under the provisions of a formal operations and maintenance transfer con-
tract or other legal agreement with the Bureau of Reclamation.

SEC. 124. ASSET MANAGEMENT REPORT ENHANCEMENTS FOR RESERVED WORKS.

(a) In General.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit to Congress an Asset Management Report that—

(1) describes the efforts of the Bureau of Reclamation—

(A) to maintain in a reliable manner all reserved works at Reclamation facilities; and

(B) to standardize and streamline data reporting and processes across regions and areas for the purpose of maintaining reserved works at Reclamation facilities; and

(2) expands on the information otherwise provided in an Asset Management Report, in accordance with subsection (b).

(b) INFRASTRUCTURE MAINTENANCE NEEDS ASSESSMENT.—

(1) In General.—The Asset Management Report submitted under subsection (a) shall include—

(A) a detailed assessment of major repair and rehabilitation needs for all reserved works at all Reclamation projects; and
(B) to the extent practicable, an itemized list of major repair and rehabilitation needs of individual Reclamation facilities at each Reclamation project.

(2) INCLUSIONS.—To the extent practicable, the itemized list of major repair and rehabilitation needs under paragraph (1)(B) shall include—

   (A) a budget level cost estimate of the appropriations needed to complete each item; and

   (B) an assignment of a categorical rating for each item, consistent with paragraph (3).

(3) RATING REQUIREMENTS.—

   (A) IN GENERAL.—The system for assigning ratings under paragraph (2)(B) shall be—

      (i) consistent with existing uniform categorization systems to inform the annual budget process and agency requirements; and

      (ii) subject to the guidance and instructions issued under subparagraph (B).

   (B) GUIDANCE.—As soon as practicable after the date of enactment of this Act, the Secretary shall issue guidance that describes the applicability of the rating system applicable
under paragraph (2)(B) to Reclamation facilities.

(4) PUBLIC AVAILABILITY.—Except as provided in paragraph (5), the Secretary shall make publicly available, including on the Internet, the Asset Management Report required under subsection (a).

(5) CONFIDENTIALITY.—The Secretary may exclude from the public version of the Asset Management Report made available under paragraph (4) any information that the Secretary identifies as sensitive or classified, but shall make available to the Committee on Energy and Natural Resources of the Senate and the Committee on Natural Resources of the House of Representatives a version of the report containing the sensitive or classified information.

(c) UPDATES.—Not later than 2 years after the date on which the Asset Management Report is submitted under subsection (a) and biennially thereafter, the Secretary shall update the Asset Management Report, subject to the requirements of section 125(b)(2).

(d) CONSULTATION.—To the extent that such consultation would assist the Secretary in preparing the Asset Management Report under subsection (a) and updates to the Asset Management Report under subsection (c), the Secretary shall consult with—
(1) the Secretary of the Army (acting through
the Chief of Engineers); and

(2) water and power contractors.

SEC. 125. ASSET MANAGEMENT REPORT ENHANCEMENTS
FOR TRANSFERRED WORKS.

(a) IN GENERAL.—The Secretary shall coordinate
with the non-Federal entities responsible for the operation
and maintenance of transferred works in developing re-
porting requirements for Asset Management Reports with
respect to major repair and rehabilitation needs for trans-
ferred works that are similar to the reporting require-
ments described in section 124(b).

(b) GUIDANCE.—

(1) IN GENERAL.—After considering input from
water and power contractors of the Bureau of Re-
clamation, the Secretary shall develop and implement
a rating system for transferred works that incor-
porates, to the maximum extent practicable, the rat-
ing system for major repair and rehabilitation needs
for reserved works developed under section
124(b)(3).

(2) UPDATES.—The ratings system developed
under paragraph (1) shall be included in the up-
dated Asset Management Reports under section
124(e).
SEC. 126. OFFSET.

Notwithstanding any other provision of law, in the case of the project authorized by section 1617 of the Reclamation Projects Authorization and Adjustment Act of 1992 (43 U.S.C. 390h–12c), the maximum amount of the Federal share of the cost of the project under section 1631(d)(1) of that Act (43 U.S.C. 390h–13(d)(1)) otherwise available as of the date of enactment of this Act shall be reduced by $2,000,000.

Subtitle D—Water Supply Permitting Act

SEC. 131. SHORT TITLE.

This subtitle may be cited as the “Water Supply Permitting Coordination Act”.

SEC. 132. DEFINITIONS.

In this subtitle:

(1) BUREAU.—The term “Bureau” means the Bureau of Reclamation.

(2) COOPERATING AGENCIES.—The term “cooperating agency” means a Federal agency with jurisdiction over a review, analysis, opinion, statement, permit, license, or other approval or decision required for a qualifying project under applicable Federal laws and regulations, or a State agency subject to section 133(c).
(3) **QUALIFYING PROJECTS.**—The term “qualifying projects” means new surface water storage projects in the States covered under the Act of June 17, 1902 (32 Stat. 388, chapter 1093), and Acts supplemental to and amendatory of that Act (43 U.S.C. 371 et seq.) constructed on lands administered by the Department of the Interior or the Department of Agriculture, exclusive of any easement, right-of-way, lease, or any private holding.

(4) **SECRETARY.**—The term “Secretary” means the Secretary of the Interior.

**SEC. 133. ESTABLISHMENT OF LEAD AGENCY AND COOPERATING AGENCIES.**

(a) **ESTABLISHMENT OF LEAD AGENCY.**—The Bureau is established as the lead agency for purposes of coordinating all reviews, analyses, opinions, statements, permits, licenses, or other approvals or decisions required under Federal law to construct qualifying projects.

(b) **IDENTIFICATION AND ESTABLISHMENT OF COOPERATING AGENCIES.**—The Commissioner of the Bureau shall—

(1) identify, as early as practicable upon receipt of an application for a qualifying project, any Federal agency that may have jurisdiction over a review, analysis, opinion, statement, permit, license, ap-
proval, or decision required for a qualifying project under applicable Federal laws and regulations; and

(2) notify any such agency, within a reasonable timeframe, that the agency has been designated as a cooperating agency in regards to the qualifying project unless that agency responds to the Bureau in writing, within a timeframe set forth by the Bureau, notifying the Bureau that the agency—

(A) has no jurisdiction or authority with respect to the qualifying project;

(B) has no expertise or information relevant to the qualifying project or any review, analysis, opinion, statement, permit, license, or other approval or decision associated therewith; or

(C) does not intend to submit comments on the qualifying project or conduct any review of such a project or make any decision with respect to such project in a manner other than in cooperation with the Bureau.

(c) STATE AUTHORITY.—A State in which a qualifying project is being considered may choose, consistent with State law—

(1) to participate as a cooperating agency; and
(2) to make subject to the processes of this sub-
title all State agencies that—

(A) have jurisdiction over the qualifying
project;

(B) are required to conduct or issue a re-
view, analysis, or opinion for the qualifying
project; or

(C) are required to make a determination
on issuing a permit, license, or approval for the
qualifying project.

SEC. 134. BUREAU RESPONSIBILITIES.

(a) In General.—The principal responsibilities of
the Bureau under this subtitle are—

(1) to serve as the point of contact for appli-
cants, State agencies, Indian tribes, and others re-
arding proposed qualifying projects;

(2) to coordinate preparation of unified environ-
mental documentation that will serve as the basis for
all Federal decisions necessary to authorize the use
of Federal lands for qualifying projects; and

(3) to coordinate all Federal agency reviews
necessary for project development and construction
of qualifying projects.

(b) Coordination Process.—The Bureau shall
have the following coordination responsibilities:
(1) PREAPPLICATION COORDINATION.—Notify cooperating agencies of proposed qualifying projects not later than 30 days after receipt of a proposal and facilitate a preapplication meeting for prospective applicants, relevant Federal and State agencies, and Indian tribes—

(A) to explain applicable processes, data requirements, and applicant submissions necessary to complete the required Federal agency reviews within the timeframe established; and

(B) to establish the schedule for the qualifying project.

(2) CONSULTATION WITH COOPERATING AGENCIES.—Consult with the cooperating agencies throughout the Federal agency review process, identify and obtain relevant data in a timely manner, and set necessary deadlines for cooperating agencies.

(3) SCHEDULE.—Work with the qualifying project applicant and cooperating agencies to establish a project schedule. In establishing the schedule, the Bureau shall consider, among other factors—

(A) the responsibilities of cooperating agencies under applicable laws and regulations;
(B) the resources available to the cooperating agencies and the non-Federal qualifying project sponsor, as applicable;

(C) the overall size and complexity of the qualifying project;

(D) the overall schedule for and cost of the qualifying project; and

(E) the sensitivity of the natural and historic resources that may be affected by the qualifying project.

(4) ENVIRONMENTAL COMPLIANCE.—Prepare a unified environmental review document for each qualifying project application, incorporating a single environmental record on which all cooperating agencies with authority to issue approvals for a given qualifying project shall base project approval decisions. Help ensure that cooperating agencies make necessary decisions, within their respective authorities, regarding Federal approvals in accordance with the following timelines:

(A) Not later than 1 year after acceptance of a completed project application when an environmental assessment and finding of no significant impact is determined to be the appropriate level of review under the National Environ-
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(B) Not later than 1 year and 30 days after the close of the public comment period for a draft environmental impact statement under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), when an environmental impact statement is required under the same.

(5) **CONSOLIDATED ADMINISTRATIVE RECORD.** Maintain a consolidated administrative record of the information assembled and used by the cooperating agencies as the basis for agency decisions.

(6) **PROJECT DATA RECORDS.** To the extent practicable and consistent with Federal law, ensure that all project data is submitted and maintained in generally accessible electronic format, compile, and where authorized under existing law, make available such project data to cooperating agencies, the qualifying project applicant, and to the public.

(7) **PROJECT MANAGER.** Appoint a project manager for each qualifying project. The project manager shall have authority to oversee the project and to facilitate the issuance of the relevant final
authorizing documents, and shall be responsible for ensuring fulfillment of all Bureau responsibilities set forth in this section and all cooperating agency responsibilities under section 135.

**SEC. 135. COOPERATING AGENCY RESPONSIBILITIES.**

(a) **Adherence to Bureau Schedule.**—

(1) **Timeframes.**—On notification of an application for a qualifying project, the head of each cooperating agency shall submit to the Bureau a time-frame under which the cooperating agency reasonably will be able to complete the authorizing responsibilities of the cooperating agency.

(2) **Schedule.**—

(A) **Use of Timeframes.**—The Bureau shall use the timeframes submitted under this subsection to establish the project schedule under section 134.

(B) **Adherence.**—Each cooperating agency shall adhere to the project schedule established by the Bureau under subparagraph (A).

(b) **Environmental Record.**—The head of each cooperating agency shall submit to the Bureau all environmental review material produced or compiled in the course of carrying out activities required under Federal law, con-
consistent with the project schedule established by the Bureau under subsection (a)(2).

(c) DATA SUBMISSION.—To the extent practicable and consistent with Federal law, the head of each cooperating agency shall submit all relevant project data to the Bureau in a generally accessible electronic format, subject to the project schedule established by the Bureau under subsection (a)(2).

SEC. 136. FUNDING TO PROCESS PERMITS.

(a) IN GENERAL.—The Secretary, after public notice in accordance with subchapter II of chapter 5, and chapter 7, of title 5, United States Code (commonly known as the “Administrative Procedure Act”), may accept and expend funds contributed by a non-Federal public entity to expedite the evaluation of a permit of that entity related to a qualifying project.

(b) EFFECT ON PERMITTING.—

(1) IN GENERAL.—In carrying out this section, the Secretary shall ensure that the use of funds accepted under subsection (a) will not substantively or procedurally impact impartial decisionmaking with respect to permits.

(2) EVALUATION OF PERMITS.—In carrying out this section, the Secretary shall ensure that the eval-
uation of permits carried out using funds accepted under this section shall—

(A) be reviewed by the Regional Director of the Bureau of the region in which the qualifying project or activity is located (or a designee); and

(B) use the same procedures for decisions that would otherwise be required for the evaluation of permits for similar projects or activities not carried out using funds authorized under this section.

(3) IMPARTIAL DECISIONMAKING.—In carrying out this section, the Secretary and the head of each cooperating agency receiving funds under this section for a qualifying project shall ensure that the use of the funds accepted under this section for the qualifying project shall not—

(A) substantively or procedurally impact impartial decisionmaking with respect to the issuance of permits; or

(B) diminish, modify, or otherwise affect the statutory or regulatory authorities of the cooperating agency.

(c) LIMITATION ON USE OF FUNDS.—None of the funds accepted under this section shall be used to carry
out a review of the evaluation of permits required under subsection (b)(2)(A).

(d) Public Availability.—The Secretary shall ensure that all final permit decisions carried out using funds authorized under this section are made available to the public, including on the Internet.

Subtitle E—Bureau of Reclamation Project Streamlining Act

SEC. 141. SHORT TITLE.

This subtitle may be cited as the “Bureau of Reclamation Project Streamlining Act”.

SEC. 142. DEFINITIONS.

In this subtitle:

(1) Environmental impact statement.—

The term “environmental impact statement” means the detailed statement of environmental impacts of a project required to be prepared pursuant to the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(2) Environmental review process.—

(A) In general.—The term “environmental review process” means the process of preparing an environmental impact statement, environmental assessment, categorical exclusion, or other document under the National Environ-

(B) INCLUSIONS.—The term “environmental review process” includes the process for and completion of any environmental permit, approval, review, or study required for a project study under any Federal law other than the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(3) FEDERAL JURISDICTIONAL AGENCY.—The term “Federal jurisdictional agency” means a Federal agency with jurisdiction delegated by law, regulation, order, or otherwise over a review, analysis, opinion, statement, permit, license, or other approval or decision required for a project study under applicable Federal laws (including regulations).

(4) FEDERAL LEAD AGENCY.—The term “Federal lead agency” means the Bureau of Reclamation.

(5) PROJECT.—The term “project” means a surface water project, a project under the purview of title XVI of Public Law 102–575, or a rural water supply project investigated under Public Law 109–451 to be carried out, funded or operated in whole or in party by the Secretary pursuant to the Act of June 17, 1902 (32 Stat. 388, chapter 1093), and
Acts supplemental to and amendatory of that Act (43 U.S.C. 371 et seq.).

(6) **PROJECT SPONSOR.**—The term “project sponsor” means a State, regional, or local authority or instrumentality or other qualifying entity, such as a water conservation district, irrigation district, water conservancy district, joint powers authority, mutual water company, canal company, rural water district or association, or any other entity that has the capacity to contract with the United States under Federal reclamation law.

(7) **PROJECT STUDY.**—The term “project study” means a feasibility study for a project carried out pursuant to the Act of June 17, 1902 (32 Stat. 388, chapter 1093), and Acts supplemental to and amendatory of that Act (43 U.S.C. 371 et seq.).

(8) **SECRETARY.**—The term “Secretary” means the Secretary of the Interior.

(9) **SURFACE WATER STORAGE.**—The term “surface water storage” means any surface water reservoir or impoundment that would be owned, funded or operated in whole or in part by the Bureau of Reclamation or that would be integrated into a larger system owned, operated or administered in whole or in part by the Bureau of Reclamation.
SEC. 143. ACCELERATION OF STUDIES.

(a) In General.—To the extent practicable, a project study initiated by the Secretary, after the date of enactment of this Act, under the Reclamation Act of 1902 (32 Stat. 388), and all Acts amendatory thereof or supplementary thereto, shall—

(1) result in the completion of a final feasibility report not later than 3 years after the date of initiation;

(2) have a maximum Federal cost of $3,000,000; and

(3) ensure that personnel from the local project area, region, and headquarters levels of the Bureau of Reclamation concurrently conduct the review required under this section.

(b) Extension.—If the Secretary determines that a project study described in subsection (a) will not be conducted in accordance with subsection (a), the Secretary, not later than 30 days after the date of making the determination, shall—

(1) prepare an updated project study schedule and cost estimate;

(2) notify the non-Federal project cost-sharing partner that the project study has been delayed; and

(3) provide written notice to the Committee on Natural Resources of the House of Representatives
and the Committee on Energy and Natural Resources of the Senate as to the reasons the requirements of subsection (a) are not attainable.

(c) Exception.—

(1) In general.—Notwithstanding the requirements of subsection (a), the Secretary may extend the timeline of a project study by a period not to exceed 3 years, if the Secretary determines that the project study is too complex to comply with the requirements of subsection (a).

(2) Factors.—In making a determination that a study is too complex to comply with the requirements of subsection (a), the Secretary shall consider—

(A) the type, size, location, scope, and overall cost of the project;

(B) whether the project will use any innovative design or construction techniques;

(C) whether the project will require significant action by other Federal, State, or local agencies;

(D) whether there is significant public dispute as to the nature or effects of the project; and
(E) whether there is significant public dispute as to the economic or environmental costs or benefits of the project.

(3) NOTIFICATION.—Each time the Secretary makes a determination under this subsection, the Secretary shall provide written notice to the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate as to the results of that determination, including an identification of the specific 1 or more factors used in making the determination that the project is complex.

(4) LIMITATION.—The Secretary shall not extend the timeline for a project study for a period of more than 7 years, and any project study that is not completed before that date shall no longer be authorized.

(d) REVIEWS.—Not later than 90 days after the date of the initiation of a project study described in subsection (a), the Secretary shall—

(1) take all steps necessary to initiate the process for completing federally mandated reviews that the Secretary is required to complete as part of the study, including the environmental review process under section 145;
(2) convene a meeting of all Federal, tribal, and State agencies identified under section 145(d) that may—

(A) have jurisdiction over the project;

(B) be required by law to conduct or issue a review, analysis, opinion, or statement for the project study; or

(C) be required to make a determination on issuing a permit, license, or other approval or decision for the project study; and

(3) take all steps necessary to provide information that will enable required reviews and analyses related to the project to be conducted by other agencies in a thorough and timely manner.

(e) INTERIM REPORT.—Not later than 18 months after the date of enactment of this Act, the Secretary shall submit to the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate and make publicly available a report that describes—

(1) the status of the implementation of the planning process under this section, including the number of participating projects;

(2) a review of project delivery schedules, including a description of any delays on those studies
initiated prior to the date of enactment of this Act;

and

(3) any recommendations for additional authority necessary to support efforts to expedite the project.

(f) Final Report.—Not later than 4 years after the date of enactment of this Act, the Secretary shall submit to the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate and make publicly available a report that describes—

(1) the status of the implementation of this section, including a description of each project study subject to the requirements of this section;

(2) the period of time required to complete each project study; and

(3) any recommendations for additional authority necessary to support efforts to expedite the project study process, including an analysis of whether the limitation established by subsection (a)(2) needs to be adjusted to address the impacts of inflation.

SEC. 144. EXPEDITED COMPLETION OF REPORTS.

The Secretary shall—
(1) expedite the completion of any ongoing project study initiated before the date of enactment of this Act; and

(2) if the Secretary determines that the project is justified in a completed report, proceed directly to preconstruction planning, engineering, and design of the project in accordance with the Reclamation Act of 1902 (32 Stat. 388), and all Acts amendatory thereof or supplementary thereto.

**SEC. 145. PROJECT ACCELERATION.**

(a) **APPLICABILITY.**—

(1) **IN GENERAL.**—This section shall apply to—

(A) each project study that is initiated after the date of enactment of this Act and for which an environmental impact statement is prepared under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.);

(B) the extent determined appropriate by the Secretary, to other project studies initiated before the date of enactment of this Act and for which an environmental review process document is prepared under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); and
(C) any project study for the development of a non-federally owned and operated surface water storage project for which the Secretary determines there is a demonstrable Federal interest and the project—

(i) is located in a river basin where other Bureau of Reclamation water projects are located;

(ii) will create additional water supplies that support Bureau of Reclamation water projects; or

(iii) will become integrated into the operation of Bureau of Reclamation water projects.

(2) FLEXIBILITY.—Any authority granted under this section may be exercised, and any requirement established under this section may be satisfied, for the conduct of an environmental review process for a project study, a class of project studies, or a program of project studies.

(3) LIST OF PROJECT STUDIES.—

(A) IN GENERAL.—The Secretary shall annually prepare, and make publicly available, a list of all project studies that the Secretary has determined—
(i) meets the standards described in paragraph (1); and
(ii) does not have adequate funding to make substantial progress toward the completion of the project study.

(B) INCLUSIONS.—The Secretary shall include for each project study on the list under subparagraph (A) a description of the estimated amounts necessary to make substantial progress on the project study.

(b) PROJECT REVIEW PROCESS.—

(1) IN GENERAL.—The Secretary shall develop and implement a coordinated environmental review process for the development of project studies.

(2) COORDINATED REVIEW.—The coordinated environmental review process described in paragraph (1) shall require that any review, analysis, opinion, statement, permit, license, or other approval or decision issued or made by a Federal, State, or local governmental agency or an Indian tribe for a project study described in subsection (a) be conducted, to the maximum extent practicable, concurrently with any other applicable governmental agency or Indian tribe.
(3) Timing.—The coordinated environmental review process under this subsection shall be completed not later than the date on which the Secretary, in consultation and concurrence with the agencies identified under section 145(d), establishes with respect to the project study.

(e) Lead Agencies.—

(1) Joint lead agencies.—

(A) In general.—Subject to the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and the requirements of section 1506.8 of title 40, Code of Federal Regulations (or a successor regulation), including the concurrence of the proposed joint lead agency, a project sponsor may serve as the joint lead agency.

(B) Project sponsor as joint lead agency.—A project sponsor that is a State or local governmental entity may—

(i) with the concurrence of the Secretary, serve as a joint lead agency with the Federal lead agency for purposes of preparing any environmental document under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); and
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(ii) prepare any environmental review process document under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) required in support of any action or approval by the Secretary if—

(I) the Secretary provides guidance in the preparation process and independently evaluates that document;

(II) the project sponsor complies with all requirements applicable to the Secretary under—

(aa) the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.);

(bb) any regulation implementing that Act; and

(cc) any other applicable Federal law; and

(III) the Secretary approves and adopts the document before the Secretary takes any subsequent action or makes any approval based on that document, regardless of whether the
action or approval of the Secretary results in Federal funding.

(2) DUTIES.—The Secretary shall ensure that—

(A) the project sponsor complies with all design and mitigation commitments made jointly by the Secretary and the project sponsor in any environmental document prepared by the project sponsor in accordance with this subsection; and

(B) any environmental document prepared by the project sponsor is appropriately supplemented to address any changes to the project the Secretary determines are necessary.

(3) ADOPTION AND USE OF DOCUMENTS.—Any environmental document prepared in accordance with this subsection shall be adopted and used by any Federal agency making any determination related to the project study to the same extent that the Federal agency could adopt or use a document prepared by another Federal agency under—

(A) the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); and
(B) parts 1500 through 1508 of title 40, Code of Federal Regulations (or successor regulations).

(4) ROLES AND RESPONSIBILITY OF LEAD AGENCY.—With respect to the environmental review process for any project study, the Federal lead agency shall have authority and responsibility—

(A) to take such actions as are necessary and proper and within the authority of the Federal lead agency to facilitate the expeditious resolution of the environmental review process for the project study; and

(B) to prepare or ensure that any required environmental impact statement or other environmental review document for a project study required to be completed under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) is completed in accordance with this section and applicable Federal law.

(d) PARTICIPATING AND COOPERATING AGENCIES.—

(1) IDENTIFICATION OF JURISDICTIONAL AGENCIES.—With respect to carrying out the environmental review process for a project study, the Secretary shall identify, as early as practicable in the environmental review process, all Federal, State, and
local government agencies and Indian tribes that may—

(A) have jurisdiction over the project;

(B) be required by law to conduct or issue a review, analysis, opinion, or statement for the project study; or

(C) be required to make a determination on issuing a permit, license, or other approval or decision for the project study.

(2) STATE AUTHORITY.—If the environmental review process is being implemented by the Secretary for a project study within the boundaries of a State, the State, consistent with State law, may choose to participate in the process and to make subject to the process all State agencies that—

(A) have jurisdiction over the project;

(B) are required to conduct or issue a review, analysis, opinion, or statement for the project study; or

(C) are required to make a determination on issuing a permit, license, or other approval or decision for the project study.

(3) INVITATION.—

(A) IN GENERAL.—The Federal lead agency shall invite, as early as practicable in the en-
environmental review process, any agency identified under paragraph (1) to become a participating or cooperating agency, as applicable, in the environmental review process for the project study.

(B) DEADLINE.—An invitation to participate issued under subparagraph (A) shall set a deadline by which a response to the invitation shall be submitted, which may be extended by the Federal lead agency for good cause.

(4) PROCEDURES.—Section 1501.6 of title 40, Code of Federal Regulations (as in effect on the date of enactment of this Act), shall govern the identification and the participation of a cooperating agency.

(5) FEDERAL COOPERATING AGENCIES.—Any Federal agency that is invited by the Federal lead agency to participate in the environmental review process for a project study shall be designated as a cooperating agency by the Federal lead agency unless the invited agency informs the Federal lead agency, in writing, by the deadline specified in the invitation that the invited agency—

(A)(i) has no jurisdiction or authority with respect to the project;
(ii) has no expertise or information relevant to the project; or

(iii) does not have adequate funds to participate in the project; and

(B) does not intend to submit comments on the project.

(6) Administration.—A participating or cooperating agency shall comply with this section and any schedule established under this section.

(7) Effect of designation.—Designation as a participating or cooperating agency under this subsection shall not imply that the participating or cooperating agency—

(A) supports a proposed project; or

(B) has any jurisdiction over, or special expertise with respect to evaluation of, the project.

(8) Concurrent reviews.—Each participating or cooperating agency shall—

(A) carry out the obligations of that agency under other applicable law concurrently and in conjunction with the required environmental review process, unless doing so would prevent the participating or cooperating agency from
conducting needed analysis or otherwise carrying out those obligations; and

(B) formulate and implement administrative, policy, and procedural mechanisms to enable the agency to ensure completion of the environmental review process in a timely, coordinated, and environmentally responsible manner.

(c) Non-Federal Projects Integrated Into Reclamation Systems.—The Federal lead agency shall serve in that capacity for the entirety of all non-Federal projects that will be integrated into a larger system owned, operated or administered in whole or in part by the Bureau of Reclamation.

(f) Non-Federal Project.—If the Secretary determines that a project can be expedited by a non-Federal sponsor, and that there is a demonstrable Federal interest in expediting that project, the Secretary shall take such actions as are necessary to advance the project as a non-Federal project, including entering into agreements with the non-Federal sponsor of the project to support the planning, design, and permitting of the project as a non-Federal project.

(g) Programmatic Compliance.—

(1) In General.—The Secretary shall issue guidance regarding the use of programmatic ap-
proaches to carry out the environmental review proc-
ness that—

(A) eliminates repetitive discussions of the
same issues;

(B) focuses on the actual issues ripe for
analyses at each level of review;

(C) establishes a formal process for coordi-
nating with participating and cooperating agen-
cies, including the creation of a list of all data
that are needed to carry out an environmental
review process; and

(D) complies with—

(i) the National Environmental Policy
Act of 1969 (42 U.S.C. 4321 et seq.); and

(ii) all other applicable laws.

(2) REQUIREMENTS.—In carrying out para-
graph (1), the Secretary shall—

(A) as the first step in drafting guidance
under that paragraph, consult with relevant
Federal, State, and local governmental agen-
cies, Indian tribes, and the public on the appro-
priate use and scope of the programmatic ap-
proaches;

(B) emphasize the importance of collabora-
tion among relevant Federal, State, and local
governmental agencies, and Indian tribes in undertaking programmatic reviews, especially with respect to including reviews with a broad geographical scope;

(C) ensure that the programmatic reviews—

(i) promote transparency, including of the analyses and data used in the environmental review process, the treatment of any deferred issues raised by Federal, State, and local governmental agencies, Indian tribes, or the public, and the temporal and special scales to be used to analyze those issues;

(ii) use accurate and timely information in the environmental review process, including—

(I) criteria for determining the general duration of the usefulness of the review; and

(II) the timeline for updating any out-of-date review;

(iii) describe—
(I) the relationship between programmatic analysis and future tiered analysis; and

(II) the role of the public in the creation of future tiered analysis; and

(iv) are available to other relevant Federal, State, and local governmental agencies, Indian tribes, and the public;

(D) allow not fewer than 60 days of public notice and comment on any proposed guidance; and

(E) address any comments received under subparagraph (D).

(h) COORDINATED REVIEWS.—

(1) COORDINATION PLAN.—

(A) Establishment.—The Federal lead agency shall, after consultation with and with the concurrence of each participating and cooperating agency and the project sponsor or joint lead agency, as applicable, establish a plan for coordinating public and agency participation in, and comment on, the environmental review process for a project study or a category of project studies.

(B) Schedule.—
(i) **IN GENERAL.**—As soon as practicable but not later than 45 days after the close of the public comment period on a draft environmental impact statement, the Federal lead agency, after consultation with and the concurrence of each participating and cooperating agency and the project sponsor or joint lead agency, as applicable, shall establish, as part of the coordination plan established in subparagraph (A), a schedule for completion of the environmental review process for the project study.

(ii) **FACTORS FOR CONSIDERATION.**—

In establishing a schedule, the Secretary shall consider factors such as—

(I) the responsibilities of participating and cooperating agencies under applicable laws;

(II) the resources available to the project sponsor, joint lead agency, and other relevant Federal and State agencies, as applicable;

(III) the overall size and complexity of the project;
(IV) the overall schedule for and
cost of the project; and

(V) the sensitivity of the natural
and historical resources that could be
affected by the project.

(iii) MODIFICATIONS.—The Secretary
may—

(I) lengthen a schedule estab-
lished under clause (i) for good cause;

and

(II) shorten a schedule only with
concurrence of the affected partici-
pating and cooperating agencies and
the project sponsor or joint lead agen-
cy, as applicable.

(iv) DISSEMINATION.—A copy of a
schedule established under clause (i) shall
be—

(I) provided to each participating
and cooperating agency and the
project sponsor or joint lead agency,
as applicable; and

(II) made available to the public.

(2) COMMENT DEADLINES.—The Federal lead
agency shall establish the following deadlines for
comment during the environmental review process for a project study:

(A) **Draft Environmental Impact Statements.**—For comments by Federal and State agencies and the public on a draft environmental impact statement, a period of not more than 60 days after publication in the Federal Register of notice of the date of public availability of the draft environmental impact statement, unless—

(i) a different deadline is established by agreement of the Federal lead agency, the project sponsor or joint lead agency, as applicable, and all participating and cooperating agencies; or

(ii) the deadline is extended by the Federal lead agency for good cause.

(B) **Other Environmental Review Processes.**—For all other comment periods established by the Federal lead agency for agency or public comments in the environmental review process, a period of not more than 30 days after the date on which the materials on which comment is requested are made available, unless—
(i) a different deadline is established by agreement of the Federal lead agency, the project sponsor, or joint lead agency, as applicable, and all participating and co-operating agencies; or

(ii) the deadline is extended by the Federal lead agency for good cause.

(3) DEADLINES FOR DECISIONS UNDER OTHER LAWS.—In any case in which a decision under any Federal law relating to a project study, including the issuance or denial of a permit or license, is required to be made by the date described in subsection (i)(5)(B), the Secretary shall submit to the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate—

(A) as soon as practicable after the 180-day period described in subsection (i)(5)(B), an initial notice of the failure of the Federal agency to make the decision; and

(B) every 60 days thereafter until the date on which all decisions of the Federal agency relating to the project study have been made by the Federal agency, an additional notice that describes the number of decisions of the Fed-
eral agency that remain outstanding as of the date of the additional notice.

(4) Involvement of the Public.—Nothing in this subsection reduces any time period provided for public comment in the environmental review process under applicable Federal law (including regulations).

(5) Transparency Reporting.—

(A) Reporting Requirements.—Not later than 1 year after the date of enactment of this Act, the Secretary shall establish and maintain an electronic database and, in coordination with other Federal and State agencies, issue reporting requirements to make publicly available the status and progress with respect to compliance with applicable requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and any other Federal, State, or local approval or action required for a project study for which this section is applicable.

(B) Project Study Transparency.—Consistent with the requirements established under subparagraph (A), the Secretary shall make publicly available the status and progress
of any Federal, State, or local decision, action, or approval required under applicable laws for each project study for which this section is applicable.

(i) ISSUE IDENTIFICATION AND RESOLUTION.—

(1) COOPERATION.—The Federal lead agency, the cooperating agencies, and any participating agencies shall work cooperatively in accordance with this section to identify and resolve issues that could delay completion of the environmental review process or result in the denial of any approval required for the project study under applicable laws.

(2) FEDERAL LEAD AGENCY RESPONSIBILITIES.—

(A) IN GENERAL.—The Federal lead agency shall make information available to the cooperating agencies and participating agencies as early as practicable in the environmental review process regarding the environmental and socioeconomic resources located within the project area and the general locations of the alternatives under consideration.

(B) DATA SOURCES.—The information under subparagraph (A) may be based on exist-
ing data sources, including geographic information systems mapping.

(3) Cooperating and Participating Agency Responsibilities.—Based on information received from the Federal lead agency, cooperating and participating agencies shall identify, as early as practicable, any issues of concern regarding the potential environmental or socioeconomic impacts of the project, including any issues that could substantially delay or prevent an agency from granting a permit or other approval that is needed for the project study.

(4) Accelerated Issue Resolution and Elevation.—

(A) In General.—On the request of a participating or cooperating agency or project sponsor, the Secretary shall convene an issue resolution meeting with the relevant participating and cooperating agencies and the project sponsor or joint lead agency, as applicable, to resolve issues that may—

(i) delay completion of the environmental review process; or
(ii) result in denial of any approval re-
required for the project study under applicable laws.

(B) MEETING DATE.—A meeting requested under this paragraph shall be held not later than 21 days after the date on which the Sec-
retary receives the request for the meeting, un-
less the Secretary determines that there is good cause to extend that deadline.

(C) NOTIFICATION.—On receipt of a re-
quest for a meeting under this paragraph, the Secretary shall notify all relevant participating and cooperating agencies of the request, includ-
ing the issue to be resolved and the date for the meeting.

(D) ELEVATION OF ISSUE RESOLUTION.—
If a resolution cannot be achieved within the 30-day period beginning on the date of a meet-
ing under this paragraph and a determination is made by the Secretary that all information necessary to resolve the issue has been ob-
tained, the Secretary shall forward the dispute to the heads of the relevant agencies for resolu-
tion.
(E) CONVENTION BY SECRETARY.—The Secretary may convene an issue resolution meeting under this paragraph at any time, at the discretion of the Secretary, regardless of whether a meeting is requested under subparagraph (A).

(5) FINANCIAL PENALTY PROVISIONS.—

(A) IN GENERAL.—A Federal jurisdictional agency shall complete any required approval or decision for the environmental review process on an expeditious basis using the shortest existing applicable process.

(B) FAILURE TO DECIDE.—

(i) IN GENERAL.—

(I) TRANSFER OF FUNDS.—If a Federal jurisdictional agency fails to render a decision required under any Federal law relating to a project study that requires the preparation of an environmental impact statement or environmental assessment, including the issuance or denial of a permit, license, statement, opinion, or other approval by the date described in clause (ii), the amount of funds made avail-
able to support the office of the head
of the Federal jurisdictional agency
shall be reduced by an amount of
funding equal to the amount specified
in item (aa) or (bb) of subclause (II),
and those funds shall be made avail-
able to the division of the Federal ju-
risdictional agency charged with ren-
dering the decision by not later than
1 day after the applicable date under
clause (ii), and once each week there-
after until a final decision is rendered,
subject to subparagraph (C).

(II) AMOUNT TO BE TRANS-
FERRED.—The amount referred to in
subclause (I) is—

(aa) $20,000 for any project
study requiring the preparation
of an environmental assessment
or environmental impact state-
ment; or

(bb) $10,000 for any project
study requiring any type of re-
view under the National Environ-
mental Policy Act of 1969 (42
(ii) DESCRIPTION OF DATE.—The date referred to in clause (i) is the later of—

(I) the date that is 180 days after the date on which an application for the permit, license, or approval is complete; and

(II) the date that is 180 days after the date on which the Federal lead agency issues a decision on the project under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(C) LIMITATIONS.—

(i) IN GENERAL.—No transfer of funds under subparagraph (B) relating to an individual project study shall exceed, in any fiscal year, an amount equal to 1 percent of the funds made available for the applicable agency office.

(ii) FAILURE TO DECIDE.—The total amount transferred in a fiscal year as a re-
result of a failure by an agency to make a
decision by an applicable deadline shall not
exceed an amount equal to 5 percent of the
funds made available for the applicable
agency office for that fiscal year.

(iii) aggregaTE.—Notwithstanding
any other provision of law, for each fiscal
year, the aggregate amount of financial
penalties assessed against each applicable
agency office under this Act and any other
Federal law as a result of a failure of the
agency to make a decision by an applicable
deadline for environmental review, includ-
ing the total amount transferred under this
paragraph, shall not exceed an amount
equal to 9.5 percent of the funds made
available for the agency office for that fis-
cal year.

(D) Notification of transfers.—Not
later than 10 days after the last date in a fiscal
year on which funds of the Federal jurisdic-
tional agency may be transferred under sub-
paragraph (B) with respect to an individual de-
cision, the agency shall submit to the appro-
priate committees of the House of Representa-
tives and the Senate written notification that includes a description of—

(i) the decision;

(ii) the project study involved;

(iii) the amount of each transfer under subparagraph (B) in that fiscal year relating to the decision;

(iv) the total amount of all transfers under subparagraph (B) in that fiscal year relating to the decision; and

(v) the total amount of all transfers of the agency under subparagraph (B) in that fiscal year.

(E) NO FAULT OF AGENCY.—

(i) IN GENERAL.—A transfer of funds under this paragraph shall not be made if the applicable agency described in subparagraph (A) notifies, with a supporting explanation, the Federal lead agency, cooperating agencies, and project sponsor, as applicable, that—

(I) the agency has not received necessary information or approvals from another entity in a manner that affects the ability of the agency to
meet any requirements under Federal, State, or local law;

(II) significant new information, including from public comments, or circumstances, including a major modification to an aspect of the project, requires additional analysis for the agency to make a decision on the project application; or

(III) the agency lacks the financial resources to complete the review under the scheduled timeframe, including a description of the number of full-time employees required to complete the review, the amount of funding required to complete the review, and a justification as to why not enough funding is available to complete the review by the deadline.

(ii) LACK OF FINANCIAL RESOURCES.—If the agency provides notice under clause (i)(III), the Inspector General of the agency shall—

(I) conduct a financial audit to review the notice; and
(II) not later than 90 days after the date on which the review described in subclause (I) is completed, submit to the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate the results of the audit conducted under subclause (I).

(F) LIMITATION.—The Federal agency from which funds are transferred pursuant to this paragraph shall not reprogram funds to the office of the head of the agency, or equivalent office, to reimburse that office for the loss of the funds.

(G) EFFECT OF PARAGRAPH.—Nothing in this paragraph affects or limits the application of, or obligation to comply with, any Federal, State, local, or tribal law.

(j) MEMORANDUM OF AGREEMENTS FOR EARLY COORDINATION.—

(1) SENSE OF CONGRESS.—It is the sense of Congress that—

(A) the Secretary and other Federal agencies with relevant jurisdiction in the environ-
mental review process should cooperate with each other, State and local agencies, and Indian tribes on environmental review and Bureau of Reclamation project delivery activities at the earliest practicable time to avoid delays and duplication of effort later in the process, prevent potential conflicts, and ensure that planning and project development decisions reflect environmental values; and

(B) the cooperation referred to in subparagraph (A) should include the development of policies and the designation of staff that advise planning agencies and project sponsors of studies or other information foreseeably required for later Federal action and early consultation with appropriate State and local agencies and Indian tribes.

(2) TECHNICAL ASSISTANCE.—If requested at any time by a State or project sponsor, the Secretary and other Federal agencies with relevant jurisdiction in the environmental review process, shall, to the maximum extent practicable and appropriate, as determined by the agencies, provide technical assistance to the State or project sponsor in carrying out early coordination activities.
(3) MEMORANDUM OF AGENCY AGREEMENT.—If requested at any time by a State or project sponsor, the Federal lead agency, in consultation with other Federal agencies with relevant jurisdiction in the environmental review process, may establish memoranda of agreement with the project sponsor, Indian tribes, State and local governments, and other appropriate entities to carry out the early coordination activities, including providing technical assistance in identifying potential impacts and mitigation issues in an integrated fashion.

(k) LIMITATIONS.—Nothing in this section preempts or interferes with—

(1) any obligation to comply with the provisions of any Federal law, including—

(A) the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); and

(B) any other Federal environmental law;

(2) the reviewability of any final Federal agency action in a court of the United States or in the court of any State;

(3) any requirement for seeking, considering, or responding to public comment; or

(4) any power, jurisdiction, responsibility, duty, or authority that a Federal, State, or local govern-
mental agency, Indian tribe, or project sponsor has
with respect to carrying out a project or any other
provision of law applicable to projects.

(l) TIMING OF CLAIMS.—

(1) TIMING.—

   (A) IN GENERAL.—Notwithstanding any
other provision of law, a claim arising under
Federal law seeking judicial review of a permit,
license, or other approval issued by a Federal
agency for a project study shall be barred un-
less the claim is filed not later than 3 years
after publication of a notice in the Federal Reg-
ister announcing that the permit, license, or
other approval is final pursuant to the law
under which the agency action is taken, unless
a shorter time is specified in the Federal law
that allows judicial review.

   (B) APPLICABILITY.—Nothing in this sub-
section creates a right to judicial review or
places any limit on filing a claim that a person
has violated the terms of a permit, license, or
other approval.

(2) NEW INFORMATION.—

   (A) IN GENERAL.—The Secretary shall
consider new information received after the
close of a comment period if the information satisfies the requirements for a supplemental environmental impact statement under title 40, Code of Federal Regulations (or successor regulations).

(B) SEPARATE ACTION.—The preparation of a supplemental environmental impact statement or other environmental document, if required under this section, shall be considered a separate final agency action and the deadline for filing a claim for judicial review of the action shall be 3 years after the date of publication of a notice in the Federal Register announcing the action relating to such supplemental environmental impact statement or other environmental document.

(m) CATEGORICAL EXCLUSIONS.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary shall—

(A) survey the use by the Bureau of Reclamation of categorical exclusions in projects since 2005;

(B) publish a review of the survey that includes a description of—
(i) the types of actions that were categorically excluded or could be the basis for developing a new categorical exclusion; and

(ii) any requests previously received by the Secretary for new categorical exclusions; and

(C) solicit requests from other Federal agencies and project sponsors for new categorical exclusions.

(2) NEW CATEGORICAL EXCLUSIONS.—Not later than 1 year after the date of enactment of this Act, if the Secretary has identified a category of activities that merit establishing a categorical exclusion that did not exist on the day before the date of enactment this Act based on the review under paragraph (1), the Secretary shall publish a notice of proposed rulemaking to propose that new categorical exclusion, to the extent that the categorical exclusion meets the criteria for a categorical exclusion under section 1508.4 of title 40, Code of Federal Regulations (or a successor regulation).

(n) REVIEW OF PROJECT ACCELERATION REFORMS.—
(1) IN GENERAL.—The Comptroller General of the United States shall—

(A) assess the reforms carried out under this section; and

(B) not later than 5 years and not later than 10 years after the date of enactment of this Act, submit to the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report that describes the results of the assessment.

(2) CONTENTS.—The reports under paragraph (1) shall include an evaluation of impacts of the reforms carried out under this section on—

(A) project delivery;

(B) compliance with environmental laws;

and

(C) the environmental impact of projects.

(o) PERFORMANCE MEASUREMENT.—The Secretary shall establish a program to measure and report on progress made toward improving and expediting the planning and environmental review process.

(p) CATEGORICAL EXCLUSIONS IN EMERGENCIES.—For the repair, reconstruction, or rehabilitation of a Bureau of Reclamation surface water storage project that is
in operation or under construction when damaged by an event or incident that results in a declaration by the President of a major disaster or emergency pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), the Secretary shall treat such repair, reconstruction, or rehabilitation activity as a class of action categorically excluded from the requirements relating to environmental assessments or environmental impact statements under section 1508.4 of title 40, Code of Federal Regulations (or a successor regulation), if the repair or reconstruction activity is—

1. in the same location with the same capacity, dimensions, and design as the original Bureau of Reclamation surface water storage project as before the declaration described in this section; and
2. commenced within a 2-year period beginning on the date of a declaration described in this subsection.

SEC. 146. ANNUAL REPORT TO CONGRESS.

(a) Definition of Project Report.—In this section, the term “project report” means a final feasibility report developed under the Reclamation Act of 1902 (32 Stat. 388), and all Acts amendatory thereof or supplementary thereto.
(b) REPORTS.—Not later than February 1 of each year, the Secretary shall develop and submit to the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate an annual report, to be entitled “Report to Congress on Future Water Project Development”, that identifies the following:

(1) PROJECT REPORTS.—Each project report that meets the criteria established in subsection (d)(1)(A).

(2) PROPOSED PROJECT STUDIES.—Any proposed project study submitted to the Secretary by a non-Federal interest pursuant to subsection (c) that meets the criteria established in subsection (d)(1)(A).

(3) PROPOSED MODIFICATIONS.—Any proposed modification to an authorized water project or project study that meets the criteria established in subsection (d)(1)(A) that—

(A) is submitted to the Secretary by a non-Federal interest pursuant to subsection (c); or

(B) is identified by the Secretary for authorization.

(4) EXPEDITED COMPLETION OF REPORT AND DETERMINATIONS.—Any project study that was ex-
pedited and any Secretarial determinations under section 144.

(c) REQUESTS FOR PROPOSALS.—

(1) PUBLICATION.—Not later than May 1 of each year, the Secretary shall publish in the Federal Register a notice requesting proposals from non-Federal interests for proposed project studies and proposed modifications to authorized projects and project studies to be included in the annual report.

(2) DEADLINE FOR REQUESTS.—The Secretary shall include in each notice required by this subsection a requirement that non-Federal interests submit to the Secretary any proposals described in paragraph (1) by not later than 120 days after the date of publication of the notice in the Federal Register in order for the proposals to be considered for inclusion in the annual report.

(3) NOTIFICATION.—On the date of publication of each notice required by this subsection, the Secretary shall—

(A) make the notice publicly available, including on the Internet; and

(B) provide written notification of the publication to the Committee on Natural Resources of the House of Representatives and the Com-
mittee on Energy and Natural Resources of the Senate.

(d) CONTENTS.—

(1) PROJECT REPORTS, PROPOSED PROJECT STUDIES, AND PROPOSED MODIFICATIONS.—

(A) CRITERIA FOR INCLUSION IN REPORT.—The Secretary shall include in the annual report only those project reports, proposed project studies, and proposed modifications to authorized projects and project studies that—

(i) are related to the missions and authorities of the Bureau of Reclamation;

(ii) require specific congressional authorization, including by an Act of Congress;

(iii) have not been congressionally authorized;

(iv) have not been included in any previous annual report; and

(v) if authorized, could be carried out by the Bureau of Reclamation.

(B) DESCRIPTION OF BENEFITS.—

(i) DESCRIPTION.—The Secretary shall describe in the annual report, to the extent applicable and practicable, for each
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proposed project study and proposed modification to an authorized water resources development project or project study included in the annual report, the benefits, as described in clause (ii), of each such study or proposed modification.

(ii) Benefits.—The benefits (or expected benefits, in the case of a proposed project study) described in this clause are benefits to—

(I) the protection of human life and property;

(II) improvement to domestic irrigated water and power supplies;

(III) the national economy;

(IV) the environment; or

(V) the national security interests of the United States.

(C) Identification of other factors.—The Secretary shall identify in the annual report, to the maximum extent practicable—

(i) for each proposed project study included in the annual report, the non-Federal interest that submitted the proposed
(ii) for each proposed project study and proposed modification to a project or project study included in the annual report, whether the non-Federal interest has demonstrated—

(I) that local support exists for the proposed project study or proposed modification to an authorized project or project study (including the surface water storage development project that is the subject of the proposed feasibility study or the proposed modification to an authorized project study); and

(II) the financial ability to provide the required non-Federal cost share.

(2) TRANSPARENCY.—The Secretary shall include in the annual report, for each project report, proposed project study, and proposed modification to a project or project study included under paragraph (1)(A)—
(A) the name of the associated non-Federal interest, including the name of any non-Federal interest that has contributed, or is expected to contribute, a non-Federal share of the cost of—

(i) the project report;

(ii) the proposed project study;

(iii) the authorized project study for which the modification is proposed; or

(iv) construction of—

(I) the project that is the subject of—

(aa) the water report;

(bb) the proposed project study; or

(cc) the authorized project study for which a modification is proposed; or

(II) the proposed modification to a project;

(B) a letter or statement of support for the water report, proposed project study, or proposed modification to a project or project study from each associated non-Federal interest;
(C) the purpose of the feasibility report, proposed feasibility study, or proposed modification to a project or project study;

(D) an estimate, to the extent practicable, of the Federal, non-Federal, and total costs of—

(i) the proposed modification to an authorized project study; and

(ii) construction of—

(I) the project that is the subject of—

(aa) the project report; or

(bb) the authorized project study for which a modification is proposed, with respect to the change in costs resulting from such modification; or

(II) the proposed modification to an authorized project; and

(E) an estimate, to the extent practicable, of the monetary and nonmonetary benefits of—

(i) the project that is the subject of—

(I) the project report; or

(II) the authorized project study for which a modification is proposed,
with respect to the benefits of such modification; or

(ii) the proposed modification to an authorized project.

(3) Certification.—The Secretary shall include in the annual report a certification stating that each feasibility report, proposed feasibility study, and proposed modification to a project or project study included in the annual report meets the criteria established in paragraph (1)(A).

(4) Appendix.—The Secretary shall include in the annual report an appendix listing the proposals submitted under subsection (e) that were not included in the annual report under paragraph (1)(A) and a description of why the Secretary determined that those proposals did not meet the criteria for inclusion under such paragraph.

(e) Special Rule for Initial Annual Report.—Notwithstanding any other deadlines required by this section, the Secretary shall—

(1) not later than 60 days after the date of enactment of this Act, publish in the Federal Register a notice required by subsection (e)(1); and

(2) include in such notice a requirement that non-Federal interests submit to the Secretary any
proposals described in subsection (c)(1) by not later
than 120 days after the date of publication of such
notice in the Federal Register in order for such pro-
posals to be considered for inclusion in the first an-
nual report developed by the Secretary under this
section.

(f) Publication.—On submission of an annual re-
port to Congress, the Secretary shall make the annual re-
port publicly available, including through publication on
the Internet.

**TITLE II—PROTECTING EXISTING WATER RIGHTS**

**SEC. 201. SHORT TITLE.**

This title may be cited as the “Water Rights Protec-
tion Act”.

**SEC. 202. DEFINITIONS.**

In this title:

(1) **Secretary.**—The term “Secretary”
means, as applicable—

(A) the Secretary of Agriculture; or

(B) the Secretary of the Interior.

(2) **Water Right.**—The term “water right”
means any surface or groundwater right filed, per-
mitted, certified, confirmed, decreed, adjudicated, or
otherwise recognized by a judicial proceeding or by
the State in which the user acquires possession of
the water or puts the water to beneficial use, includ-
ing water rights perfected or recognized under State
law for federally recognized Indian tribes.

SEC. 203. APPLICABILITY.

This title applies to each action by the Secretary to
issue, renew, amend, or extend any permit, approval, li-
cense, lease, allotment, easement, right-of-way, or other
land use or occupancy agreement.

SEC. 204. PROHIBITIONS.

In carrying out an action described in section 203,
the Secretary shall not condition or withhold the action,
in whole or in part, on—

(1) the transfer of any State water right (in-
cluding such water rights of joint and sole owner-
ship), directly or indirectly, to the United States or
any other designee;

(2) the acquisition of a State water right in the
name of the United States;

(3) limiting the date, time, quantity, location of
diversion or pumping, or place of use of a State
water right beyond any applicability limitations
under State water law;

(4) limiting the date, time, quantity, location of
diversion or pumping, or place of use of a State
water right based on jurisdiction over groundwater resources, unless the limitation imposes no greater restriction to a State water right than an applicable State law governing groundwater resources; or

(5) the modification of the terms and conditions of groundwater withdrawal, guidance and reporting procedures, and conservation and source protection measures established by a State.

SEC. 205. POLICY DEVELOPMENT.

In developing any rule, policy, directive, management plan, or similar Federal action relating to an action described in section 203, the Secretary—

(1) shall—

(A) recognize the longstanding authority of the States relating to evaluating, protecting, allocating, regulating, and adjudicating issues relating to groundwater; and

(B) coordinate with the States to ensure that any rule, policy, directive, management plan, or similar Federal action is consistent with, and imposes no greater restriction or regulatory requirement, than applicable State groundwater law; and

(2) shall not—

(A) adversely affect—
(i) the authority of a State in adjudicating water rights;

(ii) any definition established by a State with respect to the term “beneficial use”, “priority of water rights”, or “terms of use”; or

(iii) any other right or obligation of a State established under State law; or

(B) assert any connection between surface and groundwater that is inconsistent with such a connection recognized by State water laws.

SEC. 206. EFFECT OF TITLE.

(a) Effect on Reclamation Contracts.—Nothing in this title interferes with any Bureau of Reclamation contract entered into pursuant to the reclamation laws or any water right perfected for a Federal reclamation project.

(b) Effect on Endangered Species Act.—Nothing in this title affects the implementation of the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.).

(c) Effect on Federal Reserved Water Rights.—Nothing in this title limits or expands any reserved water right of the Federal Government on land administered by the Secretary.
(d) Effect on Federal Power Act.—Nothing in this title limits or expands any authority under section 4(e), 10(j), or 18 of the Federal Power Act (16 U.S.C. 797(e), 803(j), 811).

(e) Effect on Indian Water Rights.—Nothing in this title limits or expands any water right or treaty right of any federally recognized Indian tribe.

(f) Effect on Federally Held State Water Rights.—Nothing in this title limits the ability of the Secretary to acquire, use, enforce, or protect a State water right owned by the United States through applicable State procedures.

(g) Effect on Joint Ownership.—Nothing in this title limits the ability of the owner of a State water right to enter into a voluntary agreement with the Secretary for joint ownership of the State water right, subject to the condition that the joint ownership shall not be a condition of any action described in section 203.
TITLE III—COMPLETING AND MAINTAINING RURAL WATER SUPPLY INFRASTRUCTURE

Subtitle A—Irrigation Rehabilitation and Renovation for Indian Tribal Governments and Economies

SEC. 301 SHORT TITLE.

This subtitle may be cited as the “Irrigation Rehabilitation and Renovation for Indian Tribal Governments and Their Economies Act” or the “IRRIGATE Act”.

SEC. 302. DEFINITIONS.

In this subtitle:

(1) DEFERRED MAINTENANCE.—The term “deferred maintenance” means any maintenance activity that was delayed to a future date, in lieu of being carried out at the time at which the activity was scheduled to be, or otherwise should have been, carried out.

(2) FUND.—The term “Fund” means the Indian Irrigation Fund established by section 311.

(3) INDIAN TRIBE.—The term “Indian tribe” has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).
(4) Secretary.—The term “Secretary” means the Secretary of the Interior.

PART I—INDIAN IRRIGATION FUND

SEC. 311. ESTABLISHMENT.

There is established in the Treasury of the United States a fund, to be known as the “Indian Irrigation Fund”, consisting of—

(1) such amounts as are deposited in the Fund under section 313; and

(2) any interest earned on investment of amounts in the Fund under section 315.

SEC. 312. DEPOSITS TO FUND.

(a) In General.—For each of fiscal years 2017 through 2038, the Secretary of the Treasury shall deposit in the Fund $35,000,000 of the revenues that would otherwise be deposited for the fiscal year in the reclamation fund established by the first section of the Act of June 17, 1902 (32 Stat. 388, chapter 1093).

(b) Availability of Amounts.—Amounts deposited in the Fund under subsection (a) shall be used, subject to appropriation, to carry out this subtitle.

SEC. 313. EXPENDITURES FROM FUND.

(a) In General.—Subject to subsection (b), for each of fiscal years 2017 through 2038, the Secretary may, to the extent provided in advance in appropriations Acts, ex-
pend from the Fund, in accordance with this subtitle, not more than the sum of—

(1) $35,000,000; and

(2) the amount of interest accrued in the Fund.

(b) ADDITIONAL EXPENDITURES.—The Secretary may expend more than $35,000,000 for any fiscal year referred to in subsection (a) if the additional amounts are available in the Fund as a result of a failure of the Secretary to expend all of the amounts available under subsection (a) in 1 or more prior fiscal years.

SEC. 314. INVESTMENTS OF AMOUNTS.

(a) IN GENERAL.—The Secretary of the Treasury shall invest such portion of the Fund as is not, in the judgment of the Secretary, required to meet current withdrawals.

(b) CREDITS TO FUND.—The interest on, and the proceeds from the sale or redemption of, any obligations held in the Fund shall be credited to, and form a part of, the Fund.

SEC. 315. TRANSFERS OF AMOUNTS.

(a) IN GENERAL.—The amounts required to be transferred to the Fund under this part shall be transferred at least monthly from the general fund of the Treasury to the Fund on the basis of estimates made by the Secretary of the Treasury.
(b) ADJUSTMENTS.—Proper adjustment shall be made in amounts subsequently transferred to the extent prior estimates are in excess of or less than the amounts required to be transferred.

SEC. 316. TERMINATION.

On September 30, 2038—

(1) the Fund shall terminate; and

(2) the unexpended and unobligated balance of the Fund shall be transferred to the reclamation fund established by the first section of the Act of June 17, 1902 (32 Stat. 388, chapter 1093).

PART II—REPAIR, REPLACEMENT, AND MAINTENANCE OF CERTAIN INDIAN IRRIGATION PROJECTS

SEC. 321. REPAIR, REPLACEMENT, AND MAINTENANCE OF CERTAIN INDIAN IRRIGATION PROJECTS.

(a) IN GENERAL.—The Secretary shall establish a program to address the deferred maintenance and water storage needs of Indian irrigation projects that—

(1) create risks to public or employee safety or natural or cultural resources; and

(2) unduly impede the management and efficiency of the Indian irrigation program.

(b) FUNDING.—Consistent with section 313, the Secretary shall use or transfer to the Bureau of Indian Af-
fairs not less than $35,000,000 of amounts in the Fund, plus accrued interest, for each of fiscal years 2017 through 2038 to carry out maintenance, repair, replacement, and water storage construction activities for 1 or more of the Indian irrigation projects described in section 322 (including any structures, facilities, equipment, personnel, or vehicles used in connection with the operation of those projects), subject to the condition that the funds expended under this part shall not be—

(1) subject to reimbursement by the owners of the land served by the Indian irrigation projects; or

(2) assessed as debts or liens against the land served by the Indian irrigation projects.

SEC. 322. ELIGIBLE PROJECTS.

The projects eligible for funding under section 321(b) are the Indian irrigation projects in the western United States that, on the date of enactment of this Act—

(1) are owned by the Federal Government, as listed in the Federal inventory required by Executive Order 13327 (40 U.S.C. 121 note; relating to Federal real property asset management);

(2) are managed and operated by the Bureau of Indian Affairs (including projects managed, operated, or maintained under contracts or compacts
pursuant to the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.)); and

(3) have deferred maintenance documented by the Bureau of Indian Affairs.

SEC. 323. REQUIREMENTS AND CONDITIONS.

Not later than 120 days after the date of enactment of this Act and as a precondition to amounts being expended from the Fund to carry out this part, the Secretary, in consultation with the Assistant Secretary for Indian Affairs and representatives of affected Indian tribes, shall develop and submit to Congress—

(1) programmatic goals to carry out this part that—

(A) would enable the completion of repairing, replacing, modernizing, or performing maintenance on projects as expeditiously as possible;

(B) facilitate or improve the ability of the Bureau of Indian Affairs to carry out the mission of the Bureau of Indian Affairs in operating a project;

(C) ensure that the results of government-to-government consultation required under section 325 be addressed; and
(D) would facilitate the construction of new water storage using non-Federal contributions to address tribal, regional, and watershed-level supply needs; and

(2) funding prioritization criteria to serve as a methodology for distributing funds under this part, that take into account—

(A) the extent to which deferred maintenance of qualifying irrigation projects poses a threat to public or employee safety or health;

(B) the extent to which deferred maintenance poses a threat to natural or cultural resources;

(C) the extent to which deferred maintenance poses a threat to the ability of the Bureau of Indian Affairs to carry out the mission of the Bureau of Indian Affairs in operating the project;

(D) the extent to which repairing, replacing, modernizing, or performing maintenance on a facility or structure will—

(i) improve public or employee safety, health, or accessibility;

(ii) assist in compliance with codes, standards, laws, or other requirements;
(iii) address unmet needs; and
(iv) assist in protecting natural or cultural resources;
(E) the methodology of the rehabilitation priority index of the Secretary, as in effect on the date of enactment of this Act;
(F) the potential economic benefits of the expenditures on job creation and general economic development in the affected tribal communities;
(G) the ability of the qualifying project to address tribal, regional, and watershed level water supply needs; and
(H) such other factors as the Secretary determines to be appropriate to prioritize the use of available funds that are, to the fullest extent practicable, consistent with tribal and user recommendations received pursuant to the consultation and input process under section 325.

SEC. 324. STUDY OF INDIAN IRRIGATION PROGRAM AND PROJECT MANAGEMENT.

(a) Tribal Consultation and Other Input.—Before beginning to conduct the study required under subsection (b), the Secretary shall—
(1) consult with the Indian tribes that have jurisdiction over the land on which an irrigation project eligible to receive funding under section 322 is located; and

(2) solicit and consider the input, comments, and recommendations of—

(A) the landowners served by the irrigation project; and

(B) irrigators from adjacent irrigation districts.

(b) Study.—Not later than 2 years after the date of enactment of this Act, the Secretary of the Interior, acting through the Assistant Secretary for Indian Affairs, shall complete a study that evaluates options for improving programmatic and project management and performance of irrigation projects managed and operated in whole or in part by the Bureau of Indian Affairs.

(c) Report.—On completion of the study under subsection (b), the Secretary of the Interior, acting through the Assistant Secretary for Indian Affairs, shall submit to the Committee on Indian Affairs of the Senate and the Committee on Natural Resources of the House of Representatives a report that—

(1) describes the results of the study;
(2) determines the cost to financially sustain each project;

(3) recommends whether management of each project could be improved by transferring management responsibilities to other Federal agencies or water user groups; and

(4) includes recommendations for improving programmatic and project management and performance—

(A) in each qualifying project area; and

(B) for the program as a whole.

(d) STATUS REPORT.—Not later than 2 years after the date of enactment of this Act, and not less frequently than every 2 years thereafter, the Secretary of the Interior, acting through the Assistant Secretary for Indian Affairs, shall submit to the Committee on Indian Affairs of the Senate and the Committee on Natural Resources of the House of Representatives a report that includes a description of—

(1) the progress made toward addressing the deferred maintenance needs of the Indian irrigation projects described in section 322, including a list of projects funded during the fiscal period covered by the report;
(2) the outstanding needs of those projects that have been provided funding to address the deferred maintenance needs pursuant to this part;

(3) the remaining needs of any of those projects;

(4) how the goals established pursuant to section 323 have been met, including—

(A) an identification and assessment of any deficiencies or shortfalls in meeting those goals; and

(B) a plan to address the deficiencies or shortfalls in meeting those goals; and

(5) any other subject matters the Secretary of the Interior, to the maximum extent practicable consistent with tribal and user recommendations received pursuant to the consultation and input process under this section, determines to be appropriate.

SEC. 325. TRIBAL CONSULTATION AND USER INPUT.

Before expending funds on an Indian irrigation project pursuant to section 321 and not later than 120 days after the date of enactment of this Act, the Secretary shall—

(1) consult with the Indian tribe that has jurisdiction over the land on which an irrigation project
eligible to receive funding under section 322 is located; and

(2) solicit and consider the input, comments, and recommendations of—

(A) the landowners served by the irrigation project; and

(B) irrigators from adjacent irrigation districts.

SEC. 326. ALLOCATION AMONG PROJECTS.

(a) IN GENERAL.—Subject to subsection (b), to the maximum extent practicable, the Secretary shall ensure that, for each of fiscal years 2017 through 2038, each Indian irrigation project eligible for funding under section 322 that has critical maintenance needs receives part of the funding under section 321 to address critical maintenance needs.

(b) PRIORITY.—In allocating amounts under section 321(b), in addition to considering the funding priorities described in section 323, the Secretary shall give priority to eligible Indian irrigation projects serving more than 1 Indian tribe within an Indian reservation and to projects for which funding has not been made available during the 10-year period ending on the day before the date of enactment of this Act under any other Act of Congress that expressly identifies the Indian irrigation project or the In-
dian reservation of the project to address the deferred maintenance, repair, or replacement needs of the Indian irrigation project.

(c) Cap on Funding.—

(1) In General.—Subject to paragraph (2), in allocating amounts under section 321(b), the Secretary shall allocate not more than $15,000,000 to any individual Indian irrigation project described in section 322 during any consecutive 3-year period.

(2) Exception.—Notwithstanding the cap described in paragraph (1), if the full amount under section 321(b) cannot be fully allocated to eligible Indian irrigation projects because the costs of the remaining activities authorized in section 321(b) of an irrigation project would exceed the cap described in paragraph (1), the Secretary may allocate the remaining funds to eligible Indian irrigation projects in accordance with this part.

(d) Basis of Funding.—Any amounts made available under this section shall be nonreimbursable.

(e) Applicability of ISDEAA.—The Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) shall apply to activities carried out under this section.
Subtitle B—Clean Water for Rural Communities

SEC. 331. SHORT TITLE.
This subtitle may be cited as the “Clean Water for Rural Communities Act”.

SEC. 332. PURPOSE.
The purpose of this subtitle is to ensure a safe and adequate municipal, rural, and industrial water supply for the citizens of—

(1) Dawson, Garfield, Mecone, Prairie, Rich-
land, Judith Basin, Wheatland, Golden Valley, Fer-
gus, Yellowstone, and Musselshell Counties in the State of Montana; and

(2) McKenzie County, North Dakota.

SEC. 333. DEFINITIONS.
In this subtitle:

(1) Administrator.—The term “Adminis-
trator” means the Administrator of the Western Area Power Administration.

(2) Authority.—The term “Authority” means—

(A) in the case of the Dry-Redwater Re-
gional Water Authority System—

(i) the Dry-Redwater Regional Water Authority, which is a publicly owned non-
profit water authority formed in accordance with Mont. Code Ann. § 75–6–302 (2007); and

(ii) any nonprofit successor entity to the Authority described in clause (i); and

(B) in the case of the Musselshell-Judith Rural Water System—

(i) the Central Montana Regional Water Authority, which is a publicly owned nonprofit water authority formed in accordance with Mont. Code Ann. § 75–6–302 (2007); and

(ii) any nonprofit successor entity to the Authority described in clause (i).

(3) DRY-REDWATER REGIONAL WATER AUTHORITY SYSTEM.—The term “Dry-Redwater Regional Water Authority System” means the Dry-Redwater Regional Water Authority System authorized under section 334(a)(1) with a project service area that includes—

(A) Garfield and Mecone Counties in the State;

(B) the area west of the Yellowstone River in Dawson and Richland Counties in the State;
(C) T. 15 N. (including the area north of the Township) in Prairie County in the State; and

(D) the portion of McKenzie County, North Dakota, that includes all land that is located west of the Yellowstone River in the State of North Dakota.

(4) INTEGRATED SYSTEM.—The term “integrated system” means the transmission system owned by the Western Area Power Administration Basin Electric Power District and the Heartland Consumers Power District.

(5) MUSSELHELL-JUDITH RURAL WATER SYSTEM.—The term “Musselshell-Judith Rural Water System” means the Musselshell-Judith Rural Water System authorized under section 334(a)(2) with a project service area that includes—

(A) Judith Basin, Wheatland, Golden Valley, and Musselshell Counties in the State;

(B) the portion of Yellowstone County in the State within 2 miles of State Highway 3 and within 4 miles of the county line between Golden Valley and Yellowstone Counties in the State, inclusive of the Town of Broadview, Montana; and
(C) the portion of Fergus County in the State within 2 miles of US Highway 87 and within 4 miles of the county line between Fergus and Judith Basin Counties in the State, inclusive of the Town of Moore, Montana.

(6) **Non-Federal distribution system.**—The term “non-Federal distribution system” means a non-Federal utility that provides electricity to the counties covered by the Dry-Redwater Regional Water Authority System.

(7) **Pick-Sloan program.**—The term “Pick-Sloan program” means the Pick-Sloan Missouri River Basin Program (authorized by section 9 of the Act of December 22, 1944 (commonly known as the “Flood Control Act of 1944”) (58 Stat. 891, chapter 665)).

(8) **Secretary.**—The term “Secretary” means the Secretary of the Interior.

(9) **State.**—The term “State” means the State of Montana.

(10) **Water system.**—The term “Water System” means—

(A) the Dry-Redwater Regional Water Authority System; and
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(B) the Musselshell-Judith Rural Water System.

SEC. 334. DRY-REDWATER REGIONAL WATER AUTHORITY SYSTEM AND MUSSEL SHELL-JUDITH RURAL WATER SYSTEM.

(a) In General.—The Secretary may carry out—

(1) the project entitled the “Dry-Redwater Regional Water Authority System” in a manner that is substantially in accordance with the feasibility study entitled “Dry-Redwater Regional Water System Feasibility Study” (including revisions of the study), which received funding from the Bureau of Reclamation on September 1, 2010; and

(2) the project entitled the “Musselshell-Judith Rural Water System” in a manner that is substantially in accordance with the feasibility report entitled “Musselshell-Judith Rural Water System Feasibility Report” (including any and all revisions of the report).

(b) Cooperative Agreement.—The Secretary shall enter into a cooperative agreement with the Authority to provide Federal assistance for the planning, design, and construction of the Water Systems.

(c) Cost-sharing Requirement.—

(1) Federal share.—
(A) IN GENERAL.—The Federal share of
the costs relating to the planning, design, and
construction of the Water Systems shall not ex-
ceed—

(i) in the case of the Dry-Redwater
Regional Water Authority System—

(I) 75 percent of the total cost of
the Dry-Redwater Regional Water Au-
thority System; or

(II) such other lesser amount as
may be determined by the Secretary,
acting through the Commissioner of
Reclamation, in a feasibility report; or

(ii) in the case of the Musselshell-Ju-
dith Rural Water System, 75 percent of
the total cost of the Musselshell-Judith
Rural Water System.

(B) LIMITATION.—Amounts made avail-
able under subparagraph (A) shall not be re-
turnable or reimbursable under the reclamation
laws.

(2) USE OF FEDERAL FUNDS.—

(A) GENERAL USES.—Subject to subpara-
graphs (B) and (C), the Water Systems may
use Federal funds made available to carry out this section for—

(i) facilities relating to—

(I) water pumping;

(II) water treatment; and

(III) water storage;

(ii) transmission pipelines;

(iii) pumping stations;

(iv) appurtenant buildings, maintenance equipment, and access roads;

(v) any interconnection facility that connects a pipeline of the Water System to a pipeline of a public water system;

(vi) electrical power transmission and distribution facilities required for the operation and maintenance of the Water System;

(vii) any other facility or service required for the development of a rural water distribution system, as determined by the Secretary; and

(viii) any property or property right required for the construction or operation of a facility described in this subsection.
(B) ADDITIONAL USES.—In addition to the
uses described in subparagraph (A)—

(i) the Dry-Redwater Regional Water
Authority System may use Federal funds
made available to carry out this section
for—

(I) facilities relating to water in-
take; and

(II) distribution, pumping, and
storage facilities that—

(aa) serve the needs of citi-
zens who use public water sys-
tems;

(bb) are in existence on the
date of enactment of this Act;
and

(cc) may be purchased, im-
proved, and repaired in accord-
ance with a cooperative agree-
ment entered into by the Sec-
retary under subsection (b); and

(ii) the Musselshell-Judith Rural
Water System may use Federal funds
made available to carry out this section
for—
(I) facilities relating to—

(aa) water supply wells; and

(bb) distribution pipelines;

and

(II) control systems.

(C) LIMITATION.—Federal funds made available to carry out this section shall not be used for the operation, maintenance, or replacement of the Water Systems.

(D) TITLE.—Title to the Water Systems shall be held by the Authority.
(1) IN GENERAL.—Subject to paragraph (2), the Administrator shall make available to the Dry-Redwater Regional Water Authority System a quantity of power required, of up to 1½ megawatt capacity, to meet the pumping and incidental operation requirements of the Dry-Redwater Regional Water Authority System during the period beginning on May 1 and ending on October 31 of each year—

(A) from the water intake facilities; and

(B) through all pumping stations, water treatment facilities, reservoirs, storage tanks, and pipelines up to the point of delivery of water by the water supply system to all storage reservoirs and tanks and each entity that distributes water at retail to individual users.

(2) ELIGIBILITY.—The Dry-Redwater Regional Water Authority System shall be eligible to receive power under paragraph (1) if the Dry-Redwater Regional Water Authority System—

(A) operates on a not-for-profit basis; and

(B) is constructed pursuant to a cooperative agreement entered into by the Secretary under section 334(b).
(3) Rate.—The Administrator shall establish the cost of the power described in paragraph (1) at the firm power rate.

(4) Additional Power.—

(A) In General.—If power, in addition to that made available to the Dry-Redwater Regional Water Authority System under paragraph (1), is necessary to meet the pumping requirements of the Dry-Redwater Regional Water Authority, the Administrator may purchase the necessary additional power at the best available rate.

(B) Reimbursement.—The cost of purchasing additional power shall be reimbursed to the Administrator by the Dry-Redwater Regional Water Authority.

(5) Responsibility for Power Charges.—
The Dry-Redwater Regional Water Authority shall be responsible for the payment of the power charge described in paragraph (4) and non-Federal delivery costs described in paragraph (6).

(6) Transmission Arrangements.—

(A) In General.—The Dry-Redwater Regional Water Authority System shall be responsible for all non-Federal transmission and dis-
distribution system delivery and service arrangements.

(B) UPGRDES.—The Dry-Redwater Regional Water Authority System shall be responsible for funding any transmission upgrades, if required, to the integrated system necessary to deliver power to the Dry-Redwater Regional Water Authority System.

SEC. 336. WATER RIGHTS.

Nothing in this subtitle—

(1) preempts or affects any State water law; or

(2) affects any authority of a State, as in effect on the date of enactment of this Act, to manage water resources within that State.

SEC. 337. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated such sums as are necessary to carry out the planning, design, and construction of the Water Systems, substantially in accordance with the cost estimate set forth in the applicable feasibility study or feasibility report described in section 334(a).

(b) COST INDEXING.—

(1) IN GENERAL.—The amount authorized to be appropriated under subsection (a) may be increased or decreased in accordance with ordinary
fluctuations in development costs incurred after the applicable date specified in paragraph (2), as indicated by any available engineering cost indices applicable to construction activities that are similar to the construction of the Water Systems.

(2) APPLICABLE DATES.—The date referred to in paragraph (1) is—

(A) in the case of the Dry-Redwater Regional Water Authority System, January 1, 2008; and

(B) in the case of the Musselshell-Judith Rural Water Authority System, November 1, 2014.

TITLE IV—OFFSET

SEC. 401. ACCELERATED REVENUE, REPAYMENT, AND SURFACE WATER STORAGE ENHANCEMENT.

(a) SHORT TITLE.—This section may be cited as the “Accelerated Revenue, Repayment, and Surface Water Storage Enhancement Act”.

(b) DEFINITIONS.—In this section:

(1) CONSTRUCTION.—

(A) IN GENERAL.—The term “construction” means the designing, materials engineering and testing, surveying, and building of surface water storage.
(B) INCLUSIONS.—The term “construction” includes—

(i) any addition to existing surface water storage; and

(ii) construction of a new surface water storage facility.

(C) EXCLUSIONS.—The term “construction” excludes any Federal statutory or regulatory obligation relating to any permit, review, approval, or other similar requirement.

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

(3) SURFACE WATER STORAGE.—The term “surface water storage” means storage at—

(A) any federally owned facility under the jurisdiction of the Bureau of Reclamation; or

(B) any non-Federal facility used for the surface storage and supply of water resources.

(4) TREASURY RATE.—The term “Treasury rate” means the 20-year constant maturity treasury rate published by the United States Treasury, as in existence on the effective date of the applicable contract.

(5) WATER USERS ASSOCIATION.—
(A) In general.—The term “water users association” means an entity organized and recognized under State law that is eligible to enter into contracts with the Commissioner—

(i) to receive contract water for delivery to users of the water; and

(ii) to pay any applicable charges.

(B) Inclusions.—The term “water users association” includes—

(i) an association;

(ii) a conservatory district;

(iii) an irrigation district;

(iv) a municipality; and

(v) a water project contract unit.

(c) Conversion and Prepayment of Contracts.—

(1) Conversion.—

(A) In general.—On receipt of a request from a water users association, the Secretary shall convert any water service contract between the United States and the water users association to allow for prepayment of the repayment contract in accordance with this paragraph under mutually agreeable terms and conditions.
(B) MANNER.—The manner of conversion under this paragraph shall be as follows:

(i) Water service contracts entered under section 9(c)(2) of the Act of August 4, 1939 (53 Stat. 1194, chapter 418), to be converted under this section shall be converted to a contract under section 9(c)(1) of that Act (53 Stat. 1194, chapter 418).

(ii) Water service contracts entered into under section 9(e) of the Act of August 4, 1939 (53 Stat. 1196, chapter 418), to be converted under this section shall be converted to repayment contracts under section 9(d) of that Act (53 Stat. 1195, chapter 418).

(2) PREPAYMENT.—

(A) SECTION 9(c)(1).—Except for a repayment contract under which the applicable water users association has previously negotiated for prepayment, each repayment contract under section 9(c)(1) of the Act of August 4, 1939 (53 Stat. 1194, chapter 418) (including any contract converted pursuant to paragraph (1)(B)(i)), in effect on the date of enactment of
this Act shall, at the request of the water users association—

(i) provide for the repayment in lump sum of the remaining construction costs identified in an applicable water project-specific municipal or industrial rate repayment schedule (as adjusted to reflect payment not reflected in the schedule) and properly assignable for ultimate return by the water users association, subject to the condition that an estimate of the remaining construction costs, as adjusted, shall be provided by the Secretary to the water users association by not later than 90 days after the date of receipt of the request of the water users association;

(ii) require that any construction costs or other capitalized costs that were incurred after the effective date of the contract, were not reflected in the rate schedule referred to in clause (i), or were not properly assignable to the water users association, and were incurred as a result of a collective annual allocation of capital costs to the water users association elect-
ing contract conversion under this sub-
section, shall be repaid—

(I) for costs equal to less than
$5,000,000, by not later than the date
that is 5 years after the date of notifi-
cation of the allocation; or

(II) for costs equal to $5,000,000
or more, in accordance with applicable
reclamation laws; and

(iii) continue in effect for the period
during which the water users association
pays applicable charges in accordance with
section 9(c)(1) of the Act of August 4,
1939 (53 Stat. 1194, chapter 418), and
other applicable law.

(B) SECTION 9(d).—Except for a repay-
ment contract under which the applicable water
users association has previously negotiated for
prepayment, each repayment contract under
section 9(d) of the Act of August 4, 1939 (53
Stat. 1195, chapter 418) (including any con-
tract converted pursuant to paragraph
(1)(B)(ii)), in effect on the date of enactment
of this Act shall, at the request of the water
users association—
(i) provide for repayment of the remaining construction costs identified in an applicable water project-specific irrigation rate repayment schedule (as adjusted to reflect payment not reflected in the schedule) and properly assignable for ultimate return by the water users association in lump sum, by accelerated prepayment, or if made in approximately equal installments, by not later than 3 years after the effective date of the repayment contract, subject to the conditions that—

(I) the amount shall be discounted by $\frac{1}{2}$ the Treasury rate; and

(II) the estimate of the remaining construction costs, as adjusted, shall be provided by the Secretary to the water users association by not later than 90 days after the date of receipt of the request of the water users association;

(ii) require that any construction costs or other capitalized costs that were incurred after the effective date of the contract, were not reflected in the rate sched-
ule referred to in clause (i), or were not properly assignable to the water users association, and were incurred as a result of a collective annual allocation of capital costs to the water users association electing contract conversion under this subsection, shall be repaid—

(I) for costs equal to less than $5,000,000, by not later than the date that is 5 years after the date of notification of the allocation; or

(II) for costs equal to $5,000,000 or more, in accordance with applicable reclamation laws;

(iii) provide that power revenues will not be available to aid in repayment of construction costs allocated to irrigation under the contract; and

(iv) continue in effect for the period during which the water users association pays applicable charges in accordance with section 9(d) of the Act of August 4, 1939 (53 Stat. 1195, chapter 418), and other applicable law.
(3) TREATMENT.—A contract entered into pursuant to this subsection—

(A) shall not be adjusted on the basis of the type of prepayment financing used by the applicable water users association;

(B) shall conform to any other applicable agreement, such as a settlement agreement or a new constructed appurtenant facility agreement; and

(C) shall not modify any other—

(i) water service, repayment, exchange, or transfer contractual right between the water users association, and the Bureau of Reclamation; or

(ii) right, obligation, or relationship of the water users association and an applicable landowner in accordance with State law.

(d) ACCOUNTING.—

(1) ADJUSTMENT.—The amounts paid pursuant to subsection (c) shall be subject to adjustment following a final cost allocation by the Secretary.

(2) DEFICIENCIES.—

(A) IN GENERAL.—If the final cost allocation under paragraph (1) indicates that the
costs properly assignable to a water users association are greater than the costs paid by the water users association, the water users association shall be obligated to pay to the Secretary the remaining allocated costs under an additional repayment contract under subparagraph (B).

(B) ADDITIONAL REPAYMENT CONTRACTS.—An additional repayment contract required by subparagraph (A) shall—

(i) have a term of—

(I) not less than 1 year; and

(II) not more than 10 years; and

(ii) include such mutually agreeable provisions regarding the rate of repayment of the deficient amount as may be developed by the parties.

(3) OVERPAYMENTS.—If the final cost allocation under paragraph (1) indicates that the costs properly assignable to a water users association are less than the costs paid by the water users association, the Secretary shall credit the amount of the overpayment as an offset against any outstanding or future obligation of the water users association with the exception of Restoration Fund charges pursuant
to section 3407(d) of Public Law 102–575 (106 Stat. 4727).

(c) Applicability of Certain Provisions.—

(1) Effect of existing law.—On compliance by a water users association with, and discharge of the obligation of repayment of the construction costs pursuant to, a contract entered into under to sub-
section (c)(2)(B), subsections (a) and (b) of section 213 of the Reclamation Reform Act of 1982 (43 U.S.C. 390mm) shall apply to any affected land.

(2) Effect of other obligations.—The ob-
ligation of a water users association to repay any construction costs or other capitalized cost described in subparagraph (A)(ii) or (B)(ii) of subsection (c)(2), or subsection (d), shall not, on repayment, af-
flect—

(A) the status of the water users associa-
tion as having repaid all of the construction costs assignable to the water users association;
or

(B) the applicability of subsection (a) or (b) of section 213 of the Reclamation Reform Act of 1982 (43 U.S.C. 390mm).

(f) Effect of Section.—Nothing in this section—
(1) alters the repayment obligation of any water service or repayment contractor receiving water from a water project, or shifts any costs that would otherwise have been properly assignable to a water users association described in subsection (c) or another contractor, absent this section, including operation and maintenance costs, construction costs, or other capitalized costs incurred after the date of enactment of this Act;

(2) alters any specific requirement for the disposition of amounts received as repayments by the Secretary under the reclamation laws; or

(3) except as expressly provided in this section, alters any obligations under the reclamation law, including the continuation of Restoration Fund charges pursuant to section 3407(d) of Public Law 102–575 (106 Stat. 4727), of the water service and repayment contractors making prepayments pursuant to this section.