

# H.R. 3281 — Reclamation Title Transfer and Non-Federal Infrastructure Incentivization Act (Rep. Lamborn, R-CO)

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## FLOOR SCHEDULE:

Scheduled for consideration on July 12, 2018, under a closed <u>rule</u>.

The rule also provides for consideration of H.R. 50, the Unfunded Mandates Information and Transparency Act of 2017.

#### **TOPLINE SUMMARY:**

<u>H.R. 3281</u> would simplify and streamline the process to convey certain Board of Reclamation water and power supply and delivery facilities to local ownership.

# COST:

The Congressional Budget Office (CBO) <u>estimates</u> that implementing H.R. 3281 would cost about \$1 million from 2017-2022, subject to appropriation. The bill could result in an insignificant effect on direct spending, so paygo would apply.

# **CONSERVATIVE CONCERNS:**

- Expand the Size and Scope of the Federal Government? No, the bill would simplify the process of conveying federal projects to local ownership.
- Encroach into State or Local Authority? No.
- Delegate Any Legislative Authority to the Executive Branch? No.
- Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits? No.

# **DETAILED SUMMARY AND ANALYSIS:**

H.R. 3281 would allow the Secretary of the Interior to convey certain Board of Reclamation water and power supply and delivery facilities to certain agencies of a state political subdivision, joint action or power agency, water users association, Indian tribe or tribal utility authority if the secretary notifies Congress and Congress does not pass a joint resolution disapproving the conveyance. Federal interests in associated water rights and uses, if included, would be conveyed according to state law by a written agreement. Interests must be conveyed by a written agreement between the secretary and the entity, and must be developed in consultation with existing water and power customers. Entities that operate and maintain a facility at the time of proposed conveyance have the right of first refusal under the bill.

The bill would require the secretary to establish criteria for determining if a facility is eligible for title transfer. The criteria must include: (1) the entity agrees to accept title to the property; (2) the transfer will not have an unmitigated significant effect on the environment; (3) the entity intends to use the property for the same purposes; (4) the transfer is consistent with the secretary's responsibility to protect resources for Indian tribes and to ensure compliance with international treaties and state compacts; and, (5) the entity agrees to provide compensation equivalent to the value of any repayment obligation to the U.S. or other income stream derived from the assets.

The bill may not adversely affect power rates or repayment obligations and the secretary is required to apply a categorical exclusion process under the <u>National Environmental Policy Act of 1969</u> to facilities. The U.S. would not be liable for damages arising based on its prior ownership or operation of the conveyed property, except for damages caused by negligence.

After the conveyance, the property is no longer considered part of a federal reclamation project, and, if an entire project is transferred, the entity is not eligible for benefits, including project power, except benefits that would be available to similar entities with projects that are not part of a federal reclamation project.

The bill requires a description of the actions taken to implement this act and a list of conveyances to be submitted to Congress with the secretary's annual budget submission.

The report accompanying H.R. 3281 (H. Rept. 115-334) can be found here.

#### **COMMITTEE ACTION:**

H.R. 3281 was introduced on July 18, 2017, and referred to the Committee on Natural Resources. The Committee held a mark-up on July 26, 2017, and the bill was reported by a vote of 17-12.

# **ADMINISTRATION POSITION:**

A Statement of Administration Policy is not available.

# **CONSTITUTIONAL AUTHORITY:**

According to the bill's sponsor: "Congress has the power to enact this legislation pursuant to the following: Article I, section 8, clause 18 and Article IV, section 3, clause 2."

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