

AUTHORIZATION OF AUSTIN, TEXAS, WASTEWATER  
RECLAMATION AND REUSE PROJECT

SEPTEMBER 4, 2002.—Committed to the Committee of the Whole House on the State  
of the Union and ordered to be printed

Mr. HANSEN, from the Committee on Resources,  
submitted the following

R E P O R T

[To accompany H.R. 4739]

[Including cost estimate of the Congressional Budget Office]

The Committee on Resources, to whom was referred the bill (H.R. 4739) to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of a project to reclaim and reuse wastewater within and outside of the service area of the City of Austin Water and Wastewater Utility, Texas, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE OF THE BILL

The purpose of H.R. 4739 is to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of a project to reclaim and reuse wastewater within and outside of the service area of the City of Austin Water and Wastewater Utility, Texas.

BACKGROUND AND NEED FOR LEGISLATION

A continually growing population in conjunction with the natural scarcity of fresh water make the discovery of new and untapped sources of water important to provide for the future. One source of water that has traditionally been overlooked is recycled water. Recycled water is desirable because there is a constant supply, and although recycled water is mostly used in irrigation and industry, it relieves pressure on local streams and aquifers that currently provide water for municipal and industrial use. The importance of

this resource was officially recognized in 1992 by the passing of Public Law 102–575. Title XVI of this law, also known as the Reclamation Wastewater and Groundwater Study and Facilities Act, authorized the Bureau of Reclamation to participate in the construction of five water recycling projects. Since 1992, the Act has been revised to include several other projects. H.R. 4739 would authorize one more project under Title XVI.

Title XVI has three prerequisites that must be met before funds can be appropriated for projects authorized by the Title. First, either the Bureau of Reclamation or the non-federal project sponsor must complete a feasibility study. Second, the non-federal sponsor must demonstrate that it is financially capable of funding its share. Third, the Bureau must ensure completion of appropriate environmental compliance under the National Environmental Policy Act. H.R. 4739 not only provides funding for the construction of a wastewater reclamation facility, it also provides funding for a cost-sharing program to help with the costs of complying with these prerequisites.

Austin, as well as the entire central region of Texas, is notorious for its drought conditions. A drought occurs in the area, on average, every four years, and a major drought occurs about every twenty years. The most recent drought was in 1999–2000 when it was necessary to institute mandatory water restrictions, and the water level at the local recreation destination, Lake Travis, was 40 feet below normal. H.R. 4739 will provide assistance to the City of Austin Water and Wastewater Utility for planning, design, and construction of a facility to provide a reliable water supply and help mitigate future droughts.

#### COMMITTEE ACTION

H.R. 4739 was introduced on May 15, 2002, by Congressman Lloyd Doggett (D–TX). The bill was referred to the Committee on Resources, and within the Committee to the Subcommittee on Water and Power. On July 9, 2002, the Subcommittee held a hearing on the bill. On July 10, 2002, the Full Committee met to consider the bill. The Subcommittee on Water and Power was discharged from further consideration of the bill by unanimous consent. No amendments were offered and the bill was then ordered favorably reported to the House of Representatives by unanimous consent.

#### COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

Regarding clause 2(b)(1) of rule X and clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee on Resources' oversight findings and recommendations are reflected in the body of this report.

#### CONSTITUTIONAL AUTHORITY STATEMENT

Article I, section 8 of the Constitution of the United States grants Congress the authority to enact this bill.

## COMPLIANCE WITH HOUSE RULE XIII

1. Cost of Legislation. Clause 3(d)(2) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs which would be incurred in carrying out this bill. However, clause 3(d)(3)(B) of that rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974.

2. Congressional Budget Act. As required by clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974, this bill does not contain any new budget authority, spending authority, credit authority, or an increase or decrease in revenues or tax expenditures.

3. General Performance Goals and Objectives. As required by clause 3(c)(4) of rule XIII, the general performance goal or objective of this bill is to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of a project to reclaim and reuse wastewater within and outside of the service area of the City of Austin Water and Wastewater Utility, Texas.

4. Congressional Budget Office Cost Estimate. Under clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 403 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for this bill from the Director of the Congressional Budget Office:

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
*Washington, DC, July 26, 2002.*

Hon. JAMES V. HANSEN,  
*Chairman, Committee on Resources,  
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 4739, a bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of a project to reclaim and reuse wastewater within and outside of the service area of the City of Austin Water and Wastewater Utility, Texas.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Julie Middleton.

Sincerely,

STEVEN M. LIEBERMAN  
(For Dan L. Crippen, Director).

Enclosure.

*H.R. 4739—A bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and constructions of a project to reclaim and reuse wastewater within and outside of the service area of the City of Austin Water and Wastewater Utility, Texas*

Summary: H.R. 4739 would authorize federal participation in the design, planning, and construction of a project to reclaim and reuse wastewater that would be carried out by the City of Austin Water and Wastewater Utility in Texas. The bill would limit the federal share of those costs to 25 percent and would prohibit the use of the federal funds for operating or maintaining the project.

Assuming appropriation of the necessary amounts, CBO estimates that implementing H.R. 4739 would cost about \$5 million over the 2003–2007 period and an additional \$17 million over the 2008–2022 period. H.R. 4739 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). State and local governments might incur some costs to match the federal funds authorized by this bill, but these costs would be voluntary.

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 4739 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By fiscal year, in millions of dollars—				
	2003	2004	2005	2006	2007
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Estimated authorization level .....	1	1	1	1	1
Estimated outlays .....	1	1	1	1	1

Basis of estimate: For this estimate, CBO assumes that H.R. 4739 will be enacted by the start of fiscal year 2003 and that the necessary funds will be appropriated for each year. H.R. 4739 would limit the federal cost share to 25 percent of the total cost of planning, design, and construction of a wastewater reclamation project for Austin, Texas. According to the Bureau of Reclamation and the city of Austin, the total cost of the project will be approximately \$110 million with a maximum federal cost share of \$28 million. Under the Reclamation Wastewater and Groundwater Study and Facilities Act, however, the federal share of total project costs cannot exceed \$20 million (measured in 1996 dollars). Therefore, CBO estimates that the maximum federal cost share for this project will be about \$22 million (including adjustments for inflation).

Based on information from the bureau and the city of Austin, CBO expects that it will take approximately 20 years to complete all phases of this project. For this estimate, CBO assumes that funds will be appropriated in equal installments over that period to complete the project. CBO estimates that implementing H.R. 4739 would cost approximately \$5 million over the 2003–2007 period and an additional \$17 million over the 2008–2022 period.

Pay-as-you-go considerations: None.

Intergovernmental and private-sector impact: H.R. 4739 contains no intergovernmental or private-sector mandates as defined in

UMRA. State and local governments might incur some costs to match the federal funds authorized by this bill, but these costs would be voluntary.

Estimate prepared by: Federal costs: Julie Middleton, impact on State, local, and tribal governments: Marjorie Miller; impact on the private sector: Lauren Marks.

Estimate approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

COMPLIANCE WITH PUBLIC LAW 104-4

This bill contains no unfunded mandates.

PREEMPTION OF STATE, LOCAL OR TRIBAL LAW

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

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

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

**RECLAMATION PROJECTS AUTHORIZATION AND ADJUSTMENT ACT OF 1992**

(Public Law 102-575)

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**SEC. 2. DEFINITION AND TABLE OF CONTENTS.**

For purposes of this Act, the term "Secretary" means the Secretary of the Interior.

TABLE OF CONTENTS

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**TITLE XVI—RECLAMATION WASTEWATER AND GROUND WATER STUDIES**

Sec. 1601. Short title.

\* \* \* \* \*

Sec. 1635. *Austin, Texas, Water Reclamation and Reuse Project.*

\* \* \* \* \*

**TITLE XVI—RECLAMATION WASTEWATER AND GROUNDWATER STUDIES**

**SEC. 1601. SHORT TITLE.**

This title may be referred to as the "Reclamation Wastewater and Groundwater Study and Facilities Act".

\* \* \* \* \*

**SEC. 1635. AUSTIN, TEXAS, WATER RECLAMATION AND REUSE PROJECT.**

(a) *AUTHORIZATION.*—The Secretary, in cooperation with the City of Austin Water and Wastewater Utility, Texas, is authorized to participate in the planning (including an appraisal and feasibility study), design, and construction of, and land acquisition for, a

*project to reclaim and reuse wastewater, including degraded groundwaters, within and outside of the service area of the City of Austin Water and Wastewater Utility, Texas.*

*(b) COST SHARE.—The Federal share of the cost of the project authorized by this section shall not exceed 25 percent of the total cost of the project.*

*(c) LIMITATION.—The Secretary shall not provide funds for the operation and maintenance of the project authorized by this section.*

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