

BROWNSVILLE PUBLIC UTILITY BOARD WATER
RECYCLING AND DESALINIZATION PROJECT

SEPTEMBER 8, 2004.—Committed to the Committee of the Whole House on the State
of the Union and ordered to be printed

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

R E P O R T

[To accompany H.R. 2960]

[Including cost estimate of the Congressional Budget Office]

The Committee on Resources, to whom was referred the bill (H.R. 2960) to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the Brownsville Public Utility Board Water Recycling and Desalinization Project, 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. 2960 is to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the Brownsville Public Utility Board Water Recycling and Desalinization Project.

BACKGROUND AND NEED FOR LEGISLATION

In light of drought and limited water supplies from the Rio Grande River, several Texas communities along the U.S./Mexico border are increasingly utilizing non-traditional methods to develop water supplies. Specifically, the Brownsville Public Utility Board (PUB) and six area entities are constructing a Regional Desalinization Plant to convert brackish water (salty groundwater) to drinking water for the region. The overall goal of the project is to develop an alternative water supply to reduce reliance on Rio Grande River water. The newly developed water will be distributed among the participating partners. Brownsville PUB will be the primary

beneficiary since it owns about 92 percent of the plant. Pumping of brackish water from the underground source began in 2003. Phase I is expected to produce 7.5 million gallons of water per day, equivalent to over 40 percent of the annual water supply to the participating entities. The Phase I project is expected to cost \$30 million. The capacity of the facility would double with completion of Phase II. This portion of the project will cost approximately \$15 million overall. H.R. 2960 authorizes federal assistance for Phase II of the project through a 25 percent federal cost share.

The legislation would also authorize federal assistance for two Brownsville PUB recycled water pipelines. The first water recycling project would result in the construction of a water line from the North Sewage Treatment Plant to convey reclaimed water to the Port of Brownsville. Up to 6 million gallons per day of effluent could be reclaimed and used at the Port. The estimated overall cost of designing, securing rights-of-way for the pipeline and construction is \$3 million. The second project would utilize treated effluent from the South Sewage Treatment Plant at the University of Texas/Texas Southmost College for irrigation purposes. The overall estimated cost of constructing the pipeline to the University is \$2 million. The federal cost share for both pipelines is limited to 25 percent.

COMMITTEE ACTION

H.R. 2960 was introduced by Congressman Solomon Ortiz (D-TX) on July 25, 2003. The bill was referred to the Committee on Resources and within the Committee to the Subcommittee on Water and Power. On September 10, 2003, the Subcommittee on Water and Power held a hearing on the bill. On October 30, 2003, the Subcommittee met to mark up H.R. 2960. No amendments were offered and the bill was forwarded to the Full Resources Committee by unanimous consent. On July 14, 2004, the Full Resources Committee met to mark up the bill. No amendments were offered and the bill was favorably reported to the House of Representatives by unanimous consent.

SECTION-BY-SECTION ANALYSIS

Section 1. Brownsville Public Utility Board Water Recycling and Desalinization Project

This section adds the “Brownsville Public Utility Board Water Recycling and Desalinization Project” to the list of authorized projects under the Reclamation Wastewater and Groundwater Study and Facilities Act (Public Law 102–575). The section states that the federal cost share shall not exceed 25 percent of the total project costs and that these funds shall not be used for operation and maintenance. The section also makes a conforming amendment to Public Law 102–575 to add the project to the list of authorized projects.

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 Re-

sources' 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 Brownsville Public Utility water recycling and desalinization project.

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:

H.R. 2960—A bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the Brownsville Public Utility Board water recycling and desalinization project

Summary: H.R. 2960 would authorize the Secretary of the Interior to participate in the design, planning, and construction of facilities to reclaim, reuse, and treat water in cooperation with the Brownsville Public Utility Board in Texas. The federal share of the cost of the project could not exceed 25 percent, or a maximum of \$20 million.

Assuming appropriation of the necessary funds, CBO estimates that implementing H.R. 2960 would cost \$18 million over the 2005–2009 period and an additional \$2 million after that period. Enacting this bill would not affect direct spending or revenues.

H.R. 2960 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments. The federal funds authorized by this bill would benefit local governments in Texas. Any expenditures made by those governments to provide the required matching funds would be made voluntarily.

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 2960 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—				
	2005	2006	2007	2008	2009
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Estimated Authorization Level	4	4	4	4	4
Estimated Outlays	3	3	4	4	4

Basis of estimate: For this estimate, CBO assumes that H.R. 2960 will be enacted near the start of fiscal year 2005 and that the authorized amount will be appropriated in equal amounts over the 2005–2009 period. Based on historical spending patterns of similar projects, CBO estimates that implementing this bill would cost \$18 million over the 2005–2009 period and an additional \$2 million after that period.

According to the Bureau of Reclamation, the feasibility study for this project is in the early stages of development and will not be completed until 2005. At this point, the agency is not clear on the direction the project will take, and no information on the potential scope of the project is currently available. Because the project authorization under H.R. 2960 is very broad, CBO assumes that the federal share of the project's cost would be the maximum of \$20 million.

Intergovernmental and private sector impact: H.R. 2960 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. The federal funds authorized by this bill would benefit local governments in Texas. Any expenditures made by those governments to provide the required matching funds would be made voluntarily.

Estimate prepared by: Federal Costs: Julie Middleton; Impact on State, Local, and Tribal Governments: Marjorie Miller; and Impact on the Private Sector: Karen Raupp.

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

Sec. 1. Short title.

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TITLE XVI—RECLAMATION WASTEWATER AND GROUND WATER STUDIES

Sec. 1601. Short title.

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Sec. 163 __. *Brownsville Public Utility Board water recycling and desalinization project.*

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**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".

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SEC. 163 __. BROWNSVILLE PUBLIC UTILITY BOARD WATER RECYCLING AND DESALINIZATION PROJECT.

(a) *IN GENERAL.*—The Secretary, in cooperation with the Brownsville Public Utility Board, may participate in the design, planning, and construction of facilities to reclaim, reuse, and treat impaired waters in the Brownsville, Texas, area.

(b) *COST SHARING.*—The Federal share of the cost of the project described in subsection (a) shall not exceed 25 percent of the total cost of the project.

(c) *LIMITATION.*—Funds provided by the Secretary shall not be used for operation and maintenance of the project described in subsection (a).

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