

**COLORADO WATER CONGRESS
FEDERAL LEGISLATIVE UPDATE
WATER RESOURCES REVIEW COMMITTEE**



Andy Colosimo, CWC Federal Affairs Committee Chair

August 3, 2017

COLORADO WATER CONGRESS

- **Federal Affairs Committee**
 - **Leadership Appointed by the Board of Directors**
 - Chair – Andy Colosimo, Vice Chair – Chris Treese and Federal Affairs Liaison to Board of Directors – Christine Arbogast
 - **Directs organizational advocacy efforts on a national level.**
 - Advocate and monitor federal legislation concerning the conservation, protection, and development of western water resources.
 - **Along with many western partner states and organizations, the CWC Federal Affairs Committee plays an active role in the National Water Resources Association (NWRA).**
 - **NWRA is a federation of 13 western states and brings together municipal and agricultural water interests.**
 - **NWRA advocates federal policies, legislation, and regulations promoting protection, management, development, and beneficial use of water resources.**



COLORADO WATER CONGRESS - PRIORITIES

- Federal Affairs Committee Members meet annually to set priorities for the upcoming year.
- For 2017 some of our priorities are:
 - Forest and Watershed Health
 - Water Rights Protection Act
 - NEPA Streamlining
 - Endangered Species Act Reform – Including Upper Colorado and San Juan River Recovery Program
 - Water and Wastewater Infrastructure Funding and Financing Mechanisms
 - Waters of the United States
 - Other issues as they arise



COLORADO WATER CONGRESS

- Work closely with our Congressional Delegation and their staff on key water issues including annual briefing in D.C. for staff. Staff also regularly participates on Federal Affairs Committee conference calls and attends CWC conferences.
- Colorado is well represented on several key Congressional committees with jurisdiction on western water issues
 - Senator Michael Bennet
 - Agriculture, Nutrition and Forestry Committee
 - Subcommittee on Conservation, Forestry and Natural Resources
 - Finance Committee
 - Subcommittee on Energy, Natural Resources and Infrastructure
 - Senator Cory Gardner
 - Energy and Natural Resources Committee
 - Subcommittee on Energy (Chair)
 - Subcommittee on Public Lands, Forests and Mining
- No representation on Senate Environment and Public Works or Appropriations Committee



COLORADO WATER CONGRESS

- Representative Diana DeGette
 - Energy and Commerce Committee
- Representative Jared Polis
 - Previously served on Natural Resources Committee
- Representative Scott Tipton
 - Natural Resources Committee
- Representative Ken Buck
 - Judiciary Committee, previously served on Oversight Committee
- Representative Doug Lamborn
 - Chair of Natural Resources Subcommittee on Water, Power and Oceans
- Representative Mike Coffman
 - Previously served on Natural Resources Committee
- Representative Ed Perlmutter
 - Financial Services Committee
- No representation on House Transportation and Infrastructure or Appropriations Committee



COLORADO WATER CONGRESS

- **Work closely with the Trump Administration**
 - **Support key nominations**
 - David Bernhardt, Deputy Secretary for the Department of the Interior
 - Brenda Burman, Commissioner of the Bureau of Reclamation

 - **Still waiting for numerous appointments to key agency positions**
 - DOI assistant secretary for water and science
 - DOI assistant secretary for fish, wildlife and parks
 - EPA assistant administrator for water
 - USDA undersecretary for natural resources
 - Chief of the Forest Service



COLORADO WATER CONGRESS - PRIORITIES

- Forest and Watershed Health – CWC recognizes that healthy forests protect the headwaters of the West and securing favorable water flows are foundational purposes of the National Forest System.
 - CWC encourages Congress to address both funding and regulatory forest health challenges by:
 - Providing Adequate and Stable Funding to the Federal Agencies
 - Ending the Current Practice of “Fire Borrowing”
 - Streamline Regulations and Limit NEPA Reviews
 - Authorize Additional Forest Thinning Projects
 - Expand and Improve Collaboration Among Stakeholders



COLORADO WATER CONGRESS - PRIORITIES

- H.R. 2936 – Resilient Federal Forests Act (Status – House Floor)
 - To expedite under the National Environmental Policy Act of 1969 and improve forest management activities on National Forest System lands, on public lands under the jurisdiction of the Bureau of Land Management, and on Tribal lands to return resilience to overgrown, fire-prone forested lands, and for other purposes.
- H.R. 1873 – Electricity Reliability and Forest Protection Act (Status – Senate Energy and Natural Resources Committee)
- S. 1460 – Energy and Natural Resources Act (Status – Senate Floor)
 - Both H.R. 1873 and S. 1460 contain language on vegetation management relating to electric transmission rights of way on federal land. It is intended to help reduce the threat of wildfire on federal lands.
- S. 1571 – National Flood Insurance Program Reauthorization Act (Status – Senate Banking Committee)
 - Addresses fire borrowing by treating fires similar to other natural disasters - tapping a disaster relief fund rather than the management fund.



COLORADO WATER CONGRESS - PRIORITIES

- **Water Rights Protection – CWC has long opposed efforts by federal agencies to force transfer of ownership of water rights as a condition of agency permitting as contrary to both federal and state law and ultimately counterproductive to the cooperative relationship necessary for the stewardship of the arid West’s scarce water resources.**
- **H.R. 2939 – Water Rights Protection Act (Status – House Floor)**
 - **The bill would prohibit the Secretary of Agriculture and Interior from requiring private water rights holders from relinquishing those rights in exchange for the issuance, amendment, renewal, or continuation of federal permits for activities on public lands.**
 - **The federal government would also be prohibited from requiring water users to acquire a certain water rights as a condition for a permit.**
 - **Requires the federal agencies to respect state water law and coordinate with states on water issues when crafting new rules or regulations relating to permitting.**
 - **Also included within in H.R.23 – the Gaining Responsibility on Water Act of 2017 (Status – Passed House of Representatives)**



COLORADO WATER CONGRESS - PRIORITIES

- NEPA Streamlining – CWC supports efforts to streamline the federal regulatory approval process including: improving coordination between federal agencies and non-federal agencies, increasing transparency, and enhancing early stakeholder engagement.
- H.R. 1654 – the Water Supply Permitting Coordination Act (Status – Senate Water and Power Subcommittee)
 - Establishes the Bureau of Reclamation as the lead agency for purposes of coordinating all reviews, permits, or licenses required under federal law to construct new surface water storage projects.
- H.R. 875 – Bureau of Reclamation Water Project Streamlining Act (Status – House Subcommittee on Water, Power and Oceans)
 - Apply streamlined water project development process used by the U.S. Army Corps of Engineers under the Water Resources Reform Development Act of 2014 to the U.S. Bureau of Reclamation in order to facilitate the construction of new dams and reservoirs.
- H.R. 23 – the Gaining Responsibility on Water Act (Passed House of Representatives)
 - Contains the provisions of H.R. 1654 and H.R. 875
- H.R. 2936 – Resilient Federal Forest Act of 2017 (Status – House Floor)
 - Expedites NEPA for forest management activities



COLORADO WATER CONGRESS - PRIORITIES

- **Endangered Species Act Reform – CWC supports efforts to amend the ESA to accommodate and encourage innovative and proactive efforts by state and local governments, private landowners, industry and other stakeholders to recover species.**
 - **The Act needs to be updated and improved by providing new tools that will benefit species by:**
 - Encouraging Voluntary Conservation Efforts
 - Increasing State and Local Involvement
 - Ensuring an Open and Sound Decision-Making Process
 - Improving the Critical Habitat Designation Process
 - Improving Consultation Procedures to Provide Applicants with Greater Certainty
 - Establishing De-listing Criteria
 - Strengthening Habitat Conservation Planning Procedures and Codify “No Surprises”
 - Implementing Petition Litigation Reforms
- **CWC also supports the Upper Colorado River Endangered Fish Recovery Program**



COLORADO WATER CONGRESS - PRIORITIES

- **Water and Wastewater Infrastructure Funding and Finance – CWC supports a variety of mechanisms are needed to pay for the costs of necessary water and wastewater infrastructure (new and existing):**
 - **Protect the Tax-Exempt Status of Municipal Bonds**
 - **Expand the Use of Low Interest Federal Loans**
 - **Direct Federal Appropriation for Water Infrastructure Projects**
 - **Provide Robust Funding for the Drinking Water and Wastewater SRF programs State Revolving Loan Fund Programs**
 - **Advance Use of Public/Private Partnerships Where Appropriate, e.g., Through Use of Tax Credits**
 - **Provide Fully Authorized Funding for the WIFIA Program – Water Infrastructure Finance and Innovation Act**
 - **Provide Adequate Funding for Bureau of Reclamation and Army Corps of Engineers for Operations, Maintenance and Repair or Replacement Existing Facilities**
 - **Include Western Water interests in any infrastructure legislation**



COLORADO WATER CONGRESS - PRIORITIES

- The House and Senate continue to move legislation that could potentially be included in an infrastructure package. This legislation has largely focused on regulatory reform proposals that do not increase federal spending.
- Administration Priorities for Infrastructure Bill
 - Targeted federal investments – focus federal spending on transformative projects that address high-priority regional or national problems or that lead to long-term changes in how infrastructure is designed, built, and maintained.
 - Local independence – encourage states, tribes, and localities to develop projects without relying on Federal monetary support.
 - Federal disengagement – the Federal government should divest from certain functions that the private sector can provide more efficiently and should dispose of underused capital assets.
 - Public-private partnerships – should be part of an infrastructure bill and should be relied upon, when appropriate, particularly for regionally significant projects.



COLORADO WATER CONGRESS - PRIORITIES

- Waters of the United States (WOTUS) – CWC recognizes maintaining clean water is essential for our businesses and recreational economy, as well as our drinking water, irrigated agriculture, and the health of riparian zones. However, CWC did have concerns with the final rule as published. These include:
 - protecting existing agricultural water uses and rural communities,
 - exemptions for man-made water treatment and storm water control facilities, and
 - protecting ground water — historically a state prerogative.
- CWC supports discussions for a new rule will move forward in a cooperative spirit.
- CWC Letter to the Denver Post <http://www.denverpost.com/2017/07/14/give-epas-new-rule-for-clean-water-a-chance/>



COLORADO WATER CONGRESS - PRIORITIES

- WOTUS – in June the Administration submitted its proposed rule to repeal WOTUS. The joint EPA and Army Corps proposed rule will:
 - Overturn the Obama Administration’s 2015 rule that would have established new guidance as to which waterways are considered “Waters of the United States,” and therefore eligible for protection under the Clean Water Act.
 - Reinstigate previous regulations from 1986 and guidance issued in 2008 that defined waters of the United States to only include “relatively permanent, standing, or flowing bodies of water” and exclude “channels containing merely intermittent or ephemeral flows”, specifically “ephemeral streams, wet meadows, storm sewers and culverts, directional sheet flow during storm events, drain tiles, man-made drainage ditches, and dry arroyos in the middle of the desert.”
- The new rule to repeal the Obama Administration regulation is the first in a two-step process for redefining “waters of the United States.”
- The second step will consist of another rulemaking that will establish a new and reevaluated definition. We expect the second rule to be released later this fall.



COLORADO WATER CONGRESS - PRIORITIES

- **Water Conservation**

- S. 1464/H.R.448 – the Water Conservation Tax Parity Act
- This bill amends the Internal Revenue Code to expand the tax exclusion for energy conservation subsidies provided by public utilities to exclude from gross income subsidies provided (directly or indirectly):
 - (1) by a public utility to a customer, or by a state or local government to a resident of such state or locality, for the purchase or installation of any water conservation or efficiency measure; and
 - (2) by a storm water management provider to a customer, or by a state or local government to a resident of such state or locality, for the purchase or installation of any storm water management measure.
- Status – Assigned to Senate Finance Committee/House Ways and Means Committee

- **WaterSense Program**

- Legislation to establish a voluntary WaterSense product labeling program at EPA
- Included in S.1460 – the Energy and Natural Resources Act pending on the Senate Floor



COLORADO WATER CONGRESS - PRIORITIES

- **Hemp**
 - S.1576 – Industrial Hemp Water Rights Act (Status – Senate Judiciary Committee)
 - A bill to provide that the owner of a water right may use the water for the cultivation of industrial hemp, if otherwise authorized by State law.
 - Senate Energy and Water Appropriations Bill (Status – Passed out of Appropriations Committee)
 - Amendment would lift restrictions on the use of water that was moved via federal water projects for industrial hemp cultivation.

- **Aquatic Nuisance Species**
 - Work closely with our Congressional delegation to identify additional funding for federal facilities and authorization as necessary.



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- Questions

