

REAUTHORIZATION OF MNI WICONI RURAL WATER SUPPLY  
PROJECT, SOUTH DAKOTA

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

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

R E P O R T

[To accompany H.R. 4638]

[Including cost estimate of the Congressional Budget Office]

The Committee on Resources, to whom was referred the bill (H.R. 4638) to reauthorize the Mni Wiconi Rural Water Supply 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. 4638 is to reauthorize the Mni Wiconi Rural Water Supply Project.

BACKGROUND AND NEED FOR LEGISLATION

The Mni Wiconi Rural Water Supply Project was originally authorized under Public Law 100-516 to construct a municipal, rural and industrial water system to serve the Pine Ridge, Rosebud, and Lower Brule Indian Reservations and seven counties in southwestern South Dakota (West River/Lyman-Jones Rural Water Systems). The project was developed to overcome the shortage of good quality drinking water in the region.

Public Law 100-516 (as amended by Public Law 103-434) directed a 10-year construction schedule ending in 2003 and authorized \$263 million to construct the project. Approximately \$184 million of the project construction costs have been expended through Fiscal Year 2001. The legislation proposes to extend the completion date to 2008 and increase the funding ceiling by \$58.8 million (based on October 1, 1997, price levels). Existing law established one construction ceiling for the entire project; however, two of the major project components have reached their estimated costs. With-

out increased budgetary authorization, the project will not be completed.

#### COMMITTEE ACTION

H.R. 4638 was introduced on May 1, 2002, by Congressman John Thune (R-SD). The bill was referred to the Committee on Resources, and within the Committee to the Subcommittee on Water and Power. The Subcommittee held a hearing on the bill on May 22, 2002. The Subcommittee met to mark up the bill on June 5, 2002. No amendments were offered and the bill was forwarded to the Full Committee by voice vote. On June 26, 2002, the Full Resources Committee met to consider the bill. No amendments were offered and the bill was 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 reauthorize the Mni Wiconi Rural Water Supply 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:

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
*Washington, DC, August 5, 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. 4638, a bill to reauthorize the Mni Wiconi Rural Water Supply Project.

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

Sincerely,

BARRY B. ANDERSON  
(For Dan L. Crippen, Director).

Enclosure.

*H.R. 4638—A bill to reauthorize the Mni Wiconi Rural Water Supply Project*

Summary: H.R. 4638 would reauthorize the Mni Wiconi Rural Water Supply Project by increasing the amounts authorized to be appropriated for this project by \$58.8 million (in 1997 dollars) and extending the completion date for the project from 2003 to 2008.

Assuming appropriation of the authorized amounts, CBO estimates that implementing H.R. 4638 would cost about \$55 million over the 2003–2007 period. H.R. 4638 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. H.R. 4638 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.

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 4638 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 .....	13	14	14	14	14
Estimated Outlays .....	4	9	14	14	14

Basis of estimate: For this estimate, CBO assumes that H.R. 4638 will be enacted by the start of fiscal year 2003 and that the necessary funds will be appropriated for each year. CBO estimates that the bill would authorize the appropriation of about \$69 million (including adjustments for anticipated inflation) to complete the construction of the Mni Wiconi Rural Water Supply Project, in addition to the original authorization level of \$263 million. Of this original authorization level, approximately \$184 million has been spent on project construction costs.

Based on information from the Bureau of Reclamation, we expect that construction of the rural water supply project would take five more years and that funds will be appropriated in roughly equal installments over that period to complete construction. CBO esti-

mates that implementing H.R. 4638 would cost \$55 million over the 2003–2007 period and an additional \$14 million after that period.

Pay-as-you-go considerations: None.

Intergovernmental and private-sector impact: H.R. 4638 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

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

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 (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in *italic*, existing law in which no change is proposed is shown in roman):

### SECTION 10 OF THE MNI WICONI PROJECT ACT OF 1988

#### SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

(a) PLANNING, DESIGN, AND CONSTRUCTION.—There are authorized to be appropriated \$263,241,000 (*based on October 1, 1992, price levels*) and \$58,800,000 (*based on October 1, 1997, price levels*) for the planning, design, and construction of the Oglala Sioux Rural Water Supply System, the Rosebud Sioux Rural Water Supply System, the Lower Brule Sioux Rural Water Supply System, the West River Rural Water Supply System, and the Lyman-Jones Rural Water Supply System described in sections 3, 3A, 3B, and 4. Such funds are authorized to be appropriated only through the end of the year **[2003]** 2008. The funds authorized to be appropriated by the first sentence of this section, less any amounts previously obligated for the Systems, may be increased or decreased by such amounts as may be justified by reason of ordinary fluctuations in development costs incurred after October 1, 1992 (*with respect to the \$263,241,000*), and October 1, 1997 (*with respect to the \$58,800,000*), as indicated by engineering costs indices applicable for the type of construction involved.

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