Union Calendar No. 584

106TH CONGRESS 2D SESSION

H.R.3112

[Report No. 106-1001]

To amend the Colorado Ute Indian Water Rights Settlement Act to provide for a final settlement of the claims of the Colorado Ute Indian Tribes, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 20, 1999

Mr. McInnis introduced the following bill; which was referred to the Committee on Resources

OCTOBER 25, 2000

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on October 20, 1999]

A BILL

To amend the Colorado Ute Indian Water Rights Settlement Act to provide for a final settlement of the claims of the Colorado Ute Indian Tribes, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,

1 SECTION 1. SHORT TITLE; FINDINGS; DEFINITIONS.

- 2 (a) Short Title.—This Act may be cited as the "Col-3 orado Ute Settlement Act Amendments of 2000".
- 4 (b) FINDINGS.—Congress makes the following findings:
- (1) In order to provide for a full and final settle-5 6 ment of the claims of the Colorado Ute Indian Tribes 7 on the Animas and La Plata Rivers, the Tribes, the 8 State of Colorado, and certain of the non-Indian par-9 ties to the Agreement have proposed certain modifica-10 tions to the Colorado Ute Indian Water Rights Settlement Act of 1988 (Public Law 100-585; 102 Stat. 11 12 2973).
 - (2) The claims of the Colorado Ute Indian Tribes on all rivers in Colorado other than the Animas and La Plata Rivers have been settled in accordance with the provisions of the Colorado Ute Indian Water Rights Settlement Act of 1988 (Public Law 100–585; 102 Stat. 2973).
 - (3) The Indian and non-Indian communities of southwest Colorado and northwest New Mexico will be benefited by a settlement of the tribal claims on the Animas and La Plata Rivers that provides the Tribes with a firm water supply without taking water away from existing uses.
- 25 (4) The Agreement contemplated a specific time-26 table for the delivery of irrigation and municipal and

13

14

15

16

17

18

19

20

21

22

23

24

- industrial water and other benefits to the Tribes from
 the Animas-La Plata Project, which timetable has not
 been met. The provision of irrigation water can not
 presently be satisfied under the current implementation of the Federal Water Pollution Control Act (33
 U.S.C. 1251 et seq.) and the Endangered Species Act
 of 1973 (16 U.S.C. 1531 et seq.).
 - (5) In order to meet the requirements of the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.), and in particular the various biological opinions issued by the Fish and Wildlife Service, the amendments made by this Act are needed to provide for a significant reduction in the facilities and water supply contemplated under the Agreement.
 - (6) The substitute benefits provided to the Tribes under the amendments made by this Act, including the waiver of capital costs and the provisions of funds for natural resource enhancement, result in a settlement that provides the Tribes with benefits that are equivalent to those that the Tribes would have received under the Colorado Ute Indian Water Rights Settlement Act of 1988 (Public Law 100–585; 102 Stat. 2973).
 - (7) The requirement that the Secretary of the Interior comply with the National Environmental Pol-

1	icy Act of 1969 (42 U.S.C. 4321 et seq.) and other na-
2	tional environmental laws before implementing the
3	proposed settlement will ensure that the satisfaction of
4	the tribal water rights is accomplished in an environ-
5	mentally responsible fashion.
6	(8) Federal courts have considered the nature
7	and the extent of Congressional participation when
8	reviewing Federal compliance with the requirements
9	of the National Environmental Policy Act of 1969 (42
10	U.S.C. 4321 et seq.).
11	(9) In considering the full range of alternatives
12	for satisfying the water rights claims of the Southern
13	Ute Indian Tribe and Ute Mountain Ute Indian
14	Tribe, Congress has held numerous legislative hear-
15	ings and deliberations, and reviewed the considerable
16	record including the following documents:
17	(A) The Final EIS No. INT-FES-80-18,
18	dated July 1, 1980.
19	(B) The Draft Supplement to the FES No.
20	INT-DES-92-41, dated October 13, 1992.
21	(C) The Final Supplemental to the FES
22	No. 96–23, dated April 26, 1996;
23	(D) The Draft Supplemental EIS, dated
24	January 14, 2000.
25	(c) Definitions.—In this Act:

1	(1) AGREEMENT.—The term "Agreement" has
2	the meaning given that term in section 3(1) of the
3	Colorado Ute Indian Water Rights Settlement Act of
4	1988 (Public Law 100–585; 102 Stat. 2973).
5	(2) Animas-la plata project.—The term
6	"Animas-La Plata Project" has the meaning given
7	that term in section 3(2) of the Colorado Ute Indian
8	Water Rights Settlement Act of 1988 (Public Law
9	100-585; 102 Stat. 2973).
10	(3) DOLORES PROJECT.—The term "Dolores
11	Project" has the meaning given that term in section
12	3(3) of the Colorado Ute Indian Water Rights Settle-
13	ment Act of 1988 (Public Law 100-585; 102 Stat.
14	2974).
15	(4) Tribe; tribes.—The term "tribe" or
16	"tribes" has the meaning given that term in section
17	3(6) of the Colorado Ute Indian Water Rights Settle-
18	ment Act of 1988 (Public Law 100-585; 102 Stat.
19	2974).
20	SEC. 2. AMENDMENTS TO SECTION 6 OF THE COLORADO
21	UTE INDIAN WATER RIGHTS SETTLEMENT
22	ACT OF 1988.
23	Subsection (a) of section 6 of the Colorado Ute Indian
24	Water Rights Settlement Act of 1988 (Public Law 100–585,

 $25\ \ 102\ Stat.\ 2975)$ is amended to read as follows:

1	"(a) Reservoir; Municipal and Industrial
2	Water.—
3	"(1) Facilities.—
4	"(A) In general.—After the date of enact-
5	ment of this subsection, but prior to January 1,
6	2005, the Secretary, in order to settle the out-
7	standing claims of the Tribes on the Animas and
8	La Plata Rivers, acting through the Bureau of
9	Reclamation, is specifically authorized to—
10	"(i) complete construction of, and oper-
11	ate and maintain, a reservoir, a pumping
12	plant, a reservoir inlet conduit, and appur-
13	tenant facilities with sufficient capacity to
14	divert and store water from the Animas
15	River to provide for an average annual de-
16	pletion of 57,100 acre-feet of water to be
17	used for a municipal and industrial water
18	supply, which facilities shall—
19	"(I) be designed and operated in
20	accordance with the hydrologic regime
21	necessary for the recovery of the endan-
22	gered fish of the San Juan River as de-
23	termined by the San Juan River Re-
24	$covery\ Implementation\ Program;$

1	"(II) include an inactive pool of
2	an appropriate size to be determined
3	by the Secretary following the comple-
4	tion of required environmental compli-
5	ance activities; and
6	"(III) include those recreation fa-
7	cilities determined to be appropriate
8	by agreement between the State of Col-
9	orado and the Secretary that shall ad-
10	dress the payment of any of the costs
11	of such facilities by the State of Colo-
12	rado in addition to the costs described
13	in paragraph (3); and
14	"(ii) deliver, through the use of the
15	project components referred to in clause (i),
16	municipal and industrial water
17	allocations—
18	"(I) with an average annual de-
19	pletion not to exceed 16,525 acre-feet of
20	water, to the Southern Ute Indian
21	Tribe for its present and future needs;
22	"(II) with an average annual de-
23	pletion not to exceed 16,525 acre-feet of
24	water, to the Ute Mountain Ute Indian
25	Tribe for its present and future needs;

1	"(III) with an average annual de-
2	pletion not to exceed 2,340 acre-feet of
3	water, to the Navajo Nation for its
4	present and future needs;
5	"(IV) with an average annual de-
6	pletion not to exceed 10,400 acre-feet of
7	water, to the San Juan Water Com-
8	mission for its present and future
9	needs;
10	"(V) with an average annual de-
11	pletion of an amount not to exceed
12	2,600 acre-feet of water, to the Animas-
13	La Plata Conservancy District for its
14	present and future needs;
15	"(VI) with an average annual de-
16	pletion of an amount not to exceed
17	5,230 acre-feet of water, to the State of
18	Colorado for its present and future
19	needs; and
20	"(VII) with an average annual
21	depletion of an amount not to exceed
22	780 acre-feet of water, to the La Plata
23	Conservancy District of New Mexico
24	for its present and future needs.

"(B) APPLICABILITY OF OTHER FEDERAL LAW.—The responsibilities of the Secretary described in subparagraph (A) are subject to the requirements of Federal laws related to the protection of the environment and otherwise applicable to the construction of the proposed facilities, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), the Clean Water Act (42 U.S.C. 7401 et seq.), and the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.). Nothing in this Act shall be construed to predetermine or otherwise affect the outcome of any analysis conducted by the Secretary or any other Federal official under applicable laws.

"(C) Limitation.—

"(i) In General.—If constructed, the facilities described in subparagraph (A) constitute the Animas-La Plata Project. Construction of any other project features authorized by the Colorado River Basin Project Act (Public Law 90–537; 82 Stat. 885) shall not be commenced without further authorization from Congress.

1	"(ii) Contingency in application.—
2	If the facilities described in subparagraph
3	(A) are not constructed and operated, clause
4	(i) shall not take effect.
5	"(2) Tribal construction costs.—Construc-
6	tion costs allocable to the facilities that are required
7	to deliver the municipal and industrial water alloca-
8	tions described in subclauses (I), (II) and (III) of
9	paragraph (1)(A)(ii) shall be nonreimbursable to the
10	United States.
11	"(3) Nontribal Water Capital obliga-
12	TIONS.—
13	"(A) In general.—Under the provisions of
14	section 9 of the Act of August 4, 1939 (43 U.S.C.
15	485h), the nontribal municipal and industrial
16	water capital repayment obligations for the fa-
17	cilities described in paragraph (1)(A)(i) may be
18	initially satisfied upon the payment in full of
19	the nontribal water capital obligations prior to
20	the initiation of construction. The amount of the
21	obligations described in the preceding sentence
22	shall be determined by agreement between the
23	Secretary of the Interior and the entity respon-
24	sible for such repayment as to the appropriate
25	reimbursable share of the construction costs allo-

cated to that entity's municipal water supply. Such agreement shall take into account the fact that the construction of facilities to provide irrigation water supplies from the Animas-La Plata Project is not authorized under paragraph (1)(A)(i) and no costs associated with the design or development of such facilities, including costs associated with environmental compliance, shall be allocable to the municipal and industrial users of the facilities authorized under such paragraph.

"(B) Nontribal repayment obligation for the water supply identified in paragraph (1)(A)(ii) shall be subject to a final cost allocation by the Secretary upon project completion. In the event that the final cost allocation indicates that additional repayment is warranted based on the applicable entity's share of project water supply and determination of overall cost, that entity may elect to enter into a new agreement to make the additional payment necessary to secure the original water supply identified in paragraph (1)(A)(ii). If the repayment entity elects not to enter into

a new agreement, the portion of the water supply relinquished by such election should be available to the Secretary for allocation to other project purposes. Additional repayment shall only be warranted for reasonable and unforeseen costs associated with project construction as determined by the Secretary in consultation with the relevant repayment entities.

"(C) Report.—Not later than April 1, 2001, the Secretary shall report to Congress on the status of the cost-share agreements contemplated in subparagraph (A). In the event that no agreement is reached with either the Animas-La Plata Conservancy District or the State of Colorado for the water allocations set forth in subclauses (V) and (VI) of paragraph (1)(A)(ii), those allocations shall be reallocated equally to the Colorado Ute Tribes.

"(4) Tribal water allocations.—

"(A) In GENERAL.—With respect to municipal and industrial water allocated to a Tribe from the Animas-La Plata Project or the Dolores Project, until that water is first used by a Tribe or used pursuant to a water use contract with the Tribe, the Secretary shall pay the annual op-

1	eration, maintenance, and replacement costs al-
2	locable to that municipal and industrial water
3	allocation of the Tribe.
4	"(B) Treatment of costs.—A Tribe shall
5	not be required to reimburse the Secretary for the
6	payment of any cost referred to in subparagraph
7	(A).
8	"(5) Repayment of pro rata share.—Upon a
9	Tribe's first use of an increment of a municipal and
10	industrial water allocation described in paragraph
11	(4), or the Tribe's first use of such water pursuant to
12	the terms of a water use contract—
13	"(A) repayment of that increment's pro
14	rata share of those allocable construction costs
15	for the Dolores Project shall be made by the
16	Tribe; and
17	"(B) the Tribe shall bear a pro rata share
18	of the allocable annual operation, maintenance,
19	and replacement costs of the increment as re-
20	ferred to in paragraph (4).".
21	SEC. 3. MISCELLANEOUS.
22	The Colorado Ute Indian Water Rights Settlement Act
23	of 1988 (Public Law 100–585; 102 Stat. 2973) is amended
24	by adding at the end the following:

1	"SEC.	<i>15</i> .	NEW	MEXICO	AND	<i>NAVAJO</i>	<i>NATION</i>	WATER
2			MA	TTERS.				

- 3 "(a) Assignment of Water Permit.—Upon the re-
- quest of the State Engineer of the State of New Mexico, the 4
- 5 Secretary shall, in a manner consistent with applicable
- law, assign, without consideration, to the New Mexico
- Animas-La Plata Project beneficiaries or to the New Mexico
- Interstate Stream Commission in accordance with the re-
- 9 quest such portion of the Department of the Interior's inter-
- est in New Mexico Engineer Permit Number 2883, dated 10
- 11 May 1, 1956, in order to fulfill the New Mexico purposes
- of the Animas-La Plata Project, so long as the permit as-
- signment does not affect the application of the Endangered
- Species Act of 1973 (16 U.S.C. 1531 et seq.) to the use of
- 15 the water involved.
- 16 "(b) Navajo Nation Municipal Pipeline.—The Sec-
- retary may construct a water line to augment the existing 17
- 18 system that conveys the municipal water supplies, in an
- 19 amount not less than 4,680 acre-feet per year, of the Navajo
- Nation to the Navajo Indian Reservation at Shiprock, New
- Mexico. The Secretary shall comply with all applicable en-
- vironmental laws with respect to such water line. Construc-
- tion costs allocated to the Navajo Nation for such water
- 24 line shall be nonreimbursable to the United States.
- 25 "(c) Protection of Navajo Water Claims.—Noth-
- 26 ing in this Act shall be construed to quantify or otherwise

1	adversely affect the water rights and the claims of entitle-
2	ment to water of the Navajo Nation.
3	"SEC. 16. TRIBAL RESOURCE FUNDS.
4	"(a) Establishment.—
5	"(1) Authorization of Appropriations.—
6	There is authorized to be appropriated to carry out
7	this section, \$8,000,000 per year for 5 fiscal years be-
8	ginning in fiscal year 2002. Not later than 60 days
9	after amounts are appropriated and available to the
10	Secretary for a fiscal year under this paragraph, the
11	Secretary shall make a payment to each of the Tribat
12	Resource Funds established under paragraph (2).
13	Each such payment shall be equal to 50 percent of the
14	amount appropriated for the fiscal year involved.
15	"(2) Funds.—The Secretary shall establish a—
16	"(A) Southern Ute Tribal Resource Fund,
17	and
18	"(B) Ute Mountain Ute Tribal Resource
19	Fund.
20	A separate account shall be maintained for each such
21	Fund.
22	"(b) Tribal Development.—
23	"(1) Investment.—The Secretary shall, in the
24	absence of an approved tribal investment plan pro-
25	vided for under paragraph (2), invest the amount in

each Tribal Resource Fund in accordance with the Act entitled, 'An Act to authorize the deposit and investment of Indian funds' approved June 24, 1938 (25 U.S.C. 162a). The Secretary, subject to subsection (e), shall disburse, at the request of a Tribe, the principal and income in its Resource Fund, or any part thereof, in accordance with a resource acquisition and enhancement plan approved under paragraph (3).

"(2) Investment plan.—

"(A) IN GENERAL.—In lieu of the investment provided for in paragraph (1), a Tribe may submit a tribal investment plan applicable to all or part of the Tribe's Tribal Resource Fund.

"(B) APPROVAL.—Not later than 60 days after the date on which an investment plan is submitted under subparagraph (A), the Secretary shall approve such investment plan if the Secretary finds that the plan is reasonable and sound. If the Secretary does not approve such investment plan, the Secretary shall set forth in writing and with particularity the reasons for such disapproval. If such investment plan is approved by the Secretary subject to subsection (e), the Tribal Resource Fund involved shall be dis-

bursed to the Tribe to be invested by the Tribe
in accordance with the approved investment
plan.

"(C) COMPLIANCE.—The Secretary may take such steps as the Secretary determines to be necessary to monitor the compliance of a Tribe with an investment plan approved under subparagraph (B). The United States shall not be responsible for the review, approval, or audit of any individual investment under the plan. The United States shall not be directly or indirectly liable with respect to any such investment, including any act or omission of the Tribe in managing or investing such funds.

"(D) Economic development plan.—The principal and income derived from tribal investments under an investment plan approved under subparagraph (B) shall be subject to the provisions of this section and shall be expended only in accordance with an economic development plan approved under paragraph (3).

"(3) Economic development plan.—

"(A) In General.—Each Tribe shall submit to the Secretary a resource acquisition and enhancement plan for all or any portion of its
 Tribal Resource Fund.

- "(B) APPROVAL.—Not later than 60 days after the date on which a plan is submitted under subparagraph (A), the Secretary shall approve such investment plan if the Secretary finds that the plan is reasonably related to the protection, acquisition, enhancement, or development of natural resources for the benefit of the Tribe and its members. If the Secretary does not approve such plan, the Secretary shall, at the time of such determination, set forth in writing and with particularity the reasons for such disapproval.
- "(C) Modification.—Subject to the approval of the Secretary, each Tribe may modify a plan approved under subparagraph (B).
- "(D) Liability.—The United States shall not be directly or indirectly liable for any claim or cause of action arising from the approval of a plan under this paragraph, or from the use and expenditure by the Tribe of the principal or interest of the Funds.
- 24 "(c) Limitation on Per Capita Distributions.—
 25 No part of the principal contained in the Tribal Resource

- 1 Fund, or of the income accruing to such funds, or the rev-
- 2 enue from any water use contract, shall be distributed to
- 3 any member of either Tribe on a per capita basis.
- 4 "(d) Limitation on Setting Aside Final Consent
- 5 Decree.—Neither the Tribes nor the United States shall
- 6 have the right to set aside the final consent decree solely
- 7 because the requirements of subsection (b) are not complied
- 8 with or implemented.
- 9 "(e) Limitation on Disbursement of Tribal Re-
- 10 Source Funds.—Any moneys appropriated under this sec-
- 11 tion shall be placed into the Southern Ute Tribal Resource
- 12 Fund and the Ute Mountain Ute Tribal Resource Fund in
- 13 the Treasury of the United States but shall not be available
- 14 for disbursement under this section until the final settle-
- 15 ment of the tribal claims as provided in section 18. The
- 16 Secretary of the Interior may, in the Secretary's sole discre-
- 17 tion, authorize the disbursement of funds prior to the final
- 18 settlement in the event that the Secretary determines that
- 19 substantial portions of the settlement have been completed.
- 20 In the event that the funds are not disbursed under the
- 21 terms of this section by December 31, 2012, such funds shall
- 22 be deposited in the general fund of the Treasury.

1 "SEC. 17. COLORADO UTE SETTLEMENT FUND.

- 2 "(a) Establishment of Fund.—There is hereby es-
- 3 tablished within the Treasury of the United States a fund
- 4 to be known as the 'Colorado Ute Settlement Fund'.
- 5 "(b) AUTHORIZATION OF APPROPRIATIONS.—There is
- 6 authorized to be appropriated to the Colorado Ute Settle-
- 7 ment Fund such funds as are necessary to complete the con-
- 8 struction of the facilities described in section 6(a)(1)(A)
- 9 within 7 years of the date of enactment of this section. Such
- 10 funds are authorized to be appropriated for each of the first
- 11 5 fiscal years beginning with the first full fiscal year fol-
- 12 lowing the date of enactment of this section.

13 "SEC. 18. FINAL SETTLEMENT.

- 14 "(a) In General.—The construction of the facilities
- 15 described in section 6(a)(1)(A), the allocation of the water
- 16 supply from those facilities to the Tribes as described in
- 17 that section, the provision of funds to the Tribes in accord-
- 18 ance with section 16, and the issuance of an amended final
- 19 consent decree as contemplated in subsection (c) shall con-
- 20 stitute final settlement of the tribal claims to water rights
- 21 on the Animas and La Plata Rivers in the State of Colo-
- 22 *rado*.
- 23 "(b) Statutory Construction.—Nothing in this
- 24 section shall be construed to affect the right of the Tribes
- 25 to water rights on the streams and rivers described in the
- 26 Agreement, other than the Animas and La Plata Rivers,

- 1 to receive the amounts of water dedicated to tribal use under
- 2 the Agreement, or to acquire water rights under the laws
- 3 of the State of Colorado.
- 4 "(c) Action by the Attorney General.—The At-
- 5 torney General shall file with the District Court, Water Di-
- 6 vision Number 7, of the State of Colorado, such instruments
- 7 as may be necessary to request the court to amend the final
- 8 consent decree to provide for the amendments made to this
- 9 Act under the Colorado Ute Settlement Act Amendments of
- 10 2000. The amended final consent decree shall specify terms
- 11 and conditions to provide for an extension of the current
- 12 January 1, 2005, deadline for the tribes to commence litiga-
- 13 tion of their reserved rights claims on the Animas and La
- 14 Plata Rivers.
- 15 "SEC. 19. STATUTORY CONSTRUCTION; TREATMENT OF
- 16 *CERTAIN FUNDS*.
- 17 "(a) In General.—Nothing in the amendments made
- 18 by the Colorado Ute Settlement Act Amendments of 2000
- 19 shall be construed to affect the applicability of any provi-
- 20 sion of this Act other than those provisions amended.
- 21 "(b) Treatment of Uncommitted Portion of
- 22 Cost-Sharing Obligation.—The uncommitted portion of
- 23 the cost-sharing obligation of the State of Colorado referred
- 24 to in section 6(a)(3) shall be made available, upon the re-
- 25 quest of the State of Colorado, to the State of Colorado after

- 1 the date on which payment is made of the amount specified
- 2 in that section.".

Union Calendar No. 584

106TH CONGRESS 2D SESSION

H.R.3112

[Report No. 106-1001]

A BILL

To amend the Colorado Ute Indian Water Rights Settlement Act to provide for a final settlement of the claims of the Colorado Ute Indian Tribes, and for other purposes.

OCTOBER 25, 2000

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed