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## ***THE WATER RESOURCES DEVELOPMENT ACT OF 1979 (H.R.4788)***

### **INTRODUCTION**

The President's water policy faces a serious challenge this week from the House's omnibus water projects bill, H.R. 4788, which ignores his desire for cost-effectiveness in all projects and state cost-sharing. The \$2 to \$4 billion bill now being debated on the House floor goes so far as to authorize projects without completing feasibility studies and to set precedent by authorizing federal funds for local water treatment and water supply systems. The President and environmentalists strongly criticize the legislation as pork-barrel and logrolling and charge that projects and studies ought to be economically justified and environmentally sound. Representative Robert Edgar (D-Pa.) will lead this opposition on the House floor with 184 amendments, primarily to fix cost ceilings for projects and to de-authorize about 70 projects and studies. The objectionable projects and questionable policy precedents can easily pass the House as they traditionally have, irrespective of the numerous amendments, for 1980 is an election year and water projects offer visible evidence to voters that their congressman is working on behalf of his district. With passage, the bill will be a true political test for President Carter. Will he veto it and incur the wrath of the water project beneficiaries in November, or will he sign it and upset the support of environmentalists with their strong grass roots organization?

### **STATUS**

On Monday, January 28, the House is expected to continue consideration of H.R. 4788. It heard only one hour of debate the previous Wednesday, holding up the amendment process until the next week. The Administration was unable to convince Speaker O'Neill to set aside the bill for two to three weeks to allow

time to develop a compromise measure. Although not threatening to veto outright, the President notes the "serious concerns about many provisions" which make its present form "unacceptable."

Despite vehement opposition from the Administration and environmental groups and the numerous Edgar amendments, the water resources bill is expected to pass.

Other floor amendments are expected from Representative Joe Moakley (D-Mass.) to have the federal government undertake feasibility studies on urban water treatment and water supply systems. Representative Floyd Fithian (D-Ind.) and fifteen others plan to propose de-authorization of nineteen projects in their districts, arguing that they are economically unjustified. According to Representative Fithian's office, the projects cost \$2.5 to \$3 billion.

Last Tuesday, the Public Works and Transportation Committee approved 20 floor amendments with a cost of \$107 million.

On the Senate side, the Water Resources Subcommittee of the Environment and Public Works Committee will resume mark-up of its water projects bill, S. 703, in February.

#### BACKGROUND

Water projects are a major federal government expenditure. Currently underway are at least 300 projects at a cost of over \$20 billion, with more than 200 other projects which have been authorized and await appropriations of construction funds in the neighborhood of \$10 billion. Traditionally, congressional requests are made and, with little challenge on merit, are authorized. A second step takes place in which the authorized projects are funded on economic and development criteria. Since 1936, with the Flood Control Act, this latter stage has been in effect. But the evaluation criteria have been revised and amended with subsequent Acts: the Water Resources Planning Act of 1965, the National Environmental Policy Act of 1969, the River and Harbor Flood Control Act of 1970, and the Water Resources Development Act of 1974.

Until recent years, the principal basis for water resources development was economic growth. The last decade witnessed increasing public concern for the environmental and social consequences of proposed water projects. Congress responded in 1969 with the National Environmental Policy Act, which requires environmental impact statements to examine both long- and short-term environmental effects of proposed federal projects. The next year, the River and Harbor Flood Control Act added a regional emphasis as well. The quality of the total environment and the well-being of the people were also goals; yet these considerations were difficult to quantify when compared with traditional economic evaluations.

Arising from creation of the Water Resources Council in 1965 was the Water Resources Development Act of 1974. Under its guidelines, then-President Ford called on the Council to undertake an extensive, in-depth study of the many aspects of water resource development. The Carter Administration has continued this process attempting to establish a national water policy.

#### THE PRESIDENT'S WATER PROJECT POSITION

In his two environmental messages to Congress in a "hit list" of economically infeasible water projects in 1977, and with a veto of the fiscal 1979 appropriations bill, the President has committed himself to a program to require greater economic justification for water projects planning and construction, to lessen their environmental damage, increase cost-sharing with the states and local governments, and encourage water conservation.

H.R. 4788 does not include full funding and cost-sharing. Full funding discards the incremental funding system traditionally used by Congress, which hides the high cost of a project. With cost-sharing, the states would play a more active role in the selection and development of water projects. To do so, their financial responsibility would increase to a 10 percent cash share of vendible water projects and a 5 percent cash share of other projects. Vendible projects are those for which revenues are received, such as from hydroelectric power plants.

#### H.R. 4788 PROVISIONS

H.R. 4788, the Water Resources Development Act of 1979, contains project authorizations, studies of potential water resources projects, modifications to authorized projects, and other provisions relating generally to the water resources development program of the Army Corps of Engineers. It is an extension of the fiscal 1979 water project authorization bill, which was the biennial authorization successfully vetoed by the President.

Assuming approval of the Public Works Committee amendments, H.R. 4788 authorizes (approximately) 50 new projects for construction at a cost of over \$1 billion and some 40 studies, at a cost of almost \$200 million, that would lead to construction. It modifies about 80 projects by increasing construction authorization or altering federal-state cost-sharing formulas at a cost of almost \$1 billion. Some 50 miscellaneous provisions would cost over \$250 million. Four projects would be de-authorized. One of these is the controversial Dickey-Lincoln School Dam in Maine.

Including de-authorization, and considering the difficulty in estimating projects authorized without cost studies, estimates of the total price for this bill vary from \$2 to \$4 billion.

A list of water construction projects and their costs appears in the appendix to this paper. The bill also deals with flood control, irrigation, navigation, harbor improvement, dredge spoil removal, hydroelectricity, recreation, beach erosion, and water supply.

#### REPRESENTATIVE EDGAR'S AMENDMENTS

The main Edgar amendments object to authorization without final Corps review, reduction of state and local cost-sharing, and setting precedents, as in the case of municipal water systems.

Other amendments concern deleting provisions for a one-House veto of Corps regulations, a one-step authorization process and waiver of cost-benefit tests.

#### POSITIONS

Those in favor of the bill view the projects as needed improvements, and the policy reforms as necessary changes. The one-House veto gives Congress insurance that the Corps will implement congressional directives. Lack of cost ceilings permits minor engineering changes without congressional re-authorization. Flexibility in cost-benefit analyses and cost-sharing responsibilities allows Congress to consider a broader range of concerns. National versus regional considerations and varying local economic conditions go beyond rigid dollar estimates. The reform to permit Corps involvement in water supply systems expands the previous traditional water resources policy to include aging water systems in the Northeast and Midwest which have been neglected in the past.

Those opposed argue that the bill is too costly and that it establishes broad policy precedents which will further increase federal expenditures. Some projects were authorized without the Corps' final reports. Others had cost-benefits tests waived. Federal involvement is greater since the cost-sharing requirements shift the burden on to federal accounts and the Corps must now repair bridges and highways that usually were handled by state and local governments. Without the two-step authorization process, Congress cannot review projects after the Corps' initial involvement. Also a one-House veto of Corps regulations permits a single House to override the wishes of a whole Congress. Finally, water projects is a good area in which the Congress can try to control federal spending, and it has failed with H.R. 4788.

#### CONCLUSION

H.R. 4788 is the first major piece of legislation before the House in the second session of the 96th Congress and is so with some surprise. Critics believe this move is to facilitate its

passage by lessening the chances of weakening it. The leadership answers by stating its desire to clear backlogged legislation so that the Congress can get on with new business.

The Carter Administration is once again in a head-to-head confrontation with Congress. Its attempt to institute its form of a national water policy trespasses on the jurisdictional turf traditionally belonging to Congress. An independent review of water projects by the Water Resources Council is one usurpation. If H.R. 4788 passes intact, the Congress will have steadfastly demonstrated to President Carter that water project considerations remain its bailiwick.

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## APPENDIX

## Construction Projects:

- Agana River, Guam; flood control	\$6.03 million.
- Albert Lea Lake, Minn.; silt removal	\$4.27 million.
- Black Warrior River, Monndville, Ala.; emergency erosion control	no cost estimate.
- Blair and Sitcum waterways; Tacoma Harbor, Wash.; channel improvements for navigation	\$22.6 million.
- Berkshire Terrace, Southwest Jefferson County, Kentucky; landsliding impediments	no cost estimate.
- Bushley Bayou, La.; flood control	\$31.4 million.
- Cabin Creek, W.Va.; erosion and sediment control	\$28.1 million.
- Cazenovia Creek, New York; flood control program	\$2 million.
- Chehalis River, South Aberdeen and Cosmopolis, Wash.; flood control	\$13.79 million.
- Cleveland Harbor, Ohio; navigation improvement	\$34.5 million.
- Cox's Park, Jefferson County, Ky; bank erosion control	\$650,000.
- Des Moines River, Iowa; recreation and greenbelt area	\$6 million.
- Des Moines River Basin, Iowa and Minn.; flood control	\$9.29 million.
- Greenville Harbor, Miss.; widening	\$28.6 million.
- Gulfport Harbor, Miss.; dredging and widening	\$48.7 million.
- Harrisburg, Pa.; flood control	\$86.1 million.
- Kodiak Harbor, Alaska; second harbor	\$9.2 million.
- Lake George, Hobart, Ind.; dredging	\$4.36 million.
- Lake Pontchartrain, North Shore, La.; sand beach construction	\$930,000.
- Little Wood River, Idaho; flood control	\$2.8 million.
- Lock Haven, Pa.; flood control	\$37.9 million.
- Mamaroneck, Sheldrake and Byram Rivers, New York and Conn.; channel modification and tunnel	\$44.09 million.
- Martin Pena Canal, Puerto Rico; dredging	no cost estimate.

- McNary, Ore. and Wash.; second powerhouse	\$579 million.
- Missouri River, Springfield, S. Dakota; relocating water supply intakes	\$2 million.
- Nonconnah Creek, Tenn. and Miss.; watershed protection	\$18.5 million.
- Oakland outer harbor, Calif.; widening and deepening channel	\$27.4 million.
- Panama City beaches, Fla.; protection and restoration	\$24.2 million.
- Parker Lake, Muddy Boggy Creek, Okla; flood control	\$29.4 million.
- Pottstown, Pa.; flood control	no cost estimate.
- Rahway River and Winkles Brook, Springfield, N.J.; flood control	\$11.3 million.
- Rivergate, North Portland, Ore.; flood control	\$19.66 million.
- Robinson's Branch of the Rahway River at Clark, Scotch Plains and Rahway, N.J.; flood control	\$17.2 million.
- Root River Basin, Minn.; flood control	\$5.16 million.
- St. Johns Bayou and New Madrid Floodway, Mo.; flood control	\$36.4 million.
- St. Thomas Island, Virgin Islands; water distribution system	no cost estimate.
- San Francisco Harbor, Fisherman's Wharf, Calif.; breakwater	\$11.9 million.
- Savannah Harbor, Ga.; harbor widening	\$12.9 million.
- Saw Mill Run, Pittsburgh, Pa; flood control	\$5.3 million.
- Tangier Island, Va.; erosion control	\$3.5 million.
- Tug Fork, W.Va. and Pineville, Ky.; flood control	no cost estimate.
- Umbrella Creek, Ga.; navigation channel	\$1.3 million.
- Wears Creek, Jefferson City, Mo.; flood control	\$41.9 million.
- Yakima-Union Gap, Wash.; flood control	\$5.92 million.
- Yazoo River, Miss.; dredging	no cost estimate.
- Zumbro River, Minn.; flood control	\$63 million.