

## Calendar No. 790

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SENATE

{ REPORT  
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### LAKE TAHOE RESTORATION ACT

SEPTEMBER 7, 2000.—Ordered to be printed

Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, submitted the following

### REPORT

[To accompany S. 1925]

The Committee on Energy and Natural Resources, to which was referred the bill (S. 1925) to promote environmental restoration around the Lake Tahoe basin, having considered the same, reports favorably thereon with an amendment and recommends that the bill, as amended, do pass.

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Lake Tahoe Restoration Act”.

**SEC. 2. FINDINGS AND PURPOSES.**

(a) FINDINGS.—Congress finds that—

(1) Lake Tahoe, one of the largest, deepest, and clearest lakes in the world, has a cobalt blue color, a unique alpine setting, and remarkable water clarity, and is recognized nationally and worldwide as a natural resource of special significance;

(2) in addition to being a scenic and ecological treasure, Lake Tahoe is one of the outstanding recreational resources of the United States, offering skiing, water sports, biking, camping, and hiking to millions of visitors each year, and contributing significantly to the economies of California, Nevada, and the United States;

(3) the economy in the Lake Tahoe basin is dependent on the protection and restoration of the natural beauty and recreation opportunities in the area;

(4) Lake Tahoe is in the midst of an environmental crisis; the Lake’s water clarity has declined from a visibility level of 105 feet in 1967 to only 70 feet in 1999, and scientific estimates indicate that if the water quality at the Lake continues to degrade, Lake Tahoe will lose its famous clarity in only 30 years;

(5) sediment and algae-nourishing phosphorous and nitrogen continue to flow into the Lake from a variety of sources, including land erosion, fertilizers, air pollution, urban runoff, highway drainage, streamside erosion, land disturbance, and ground water flow;

(6) methyl tertiary butyl ether—

(A) has contaminated and closed more than  $\frac{1}{3}$  of the wells in South Tahoe; and

(B) is advancing on the lake at a rate of approximately 9 feet per day; (7) destruction of wetlands, wet meadows, and stream zone habitat has compromised the Lake's ability to cleanse itself of pollutants;

(8) approximately 40 percent of the trees in the Lake Tahoe basin are either dead or dying, and the increased quantity of combustible forest fuels has significantly increased the risk of catastrophic forest fire in the Lake Tahoe basin;

(9) as the largest land manager in the Lake Tahoe basin, with 77 percent of the land, the Federal Government has a unique responsibility for restoring environmental health to Lake Tahoe;

(10) the Federal Government has a long history of environmental preservation at Lake Tahoe, including—

(A) congressional consent to the establishment of the Tahoe Regional Planning Agency in 1969 (Public Law 91-148; 83 Stat. 360) and in 1980 (Public Law 96-551; 94 Stat. 3233);

(B) the establishment of the Lake Tahoe Basin Management Unit in 1973; and

(C) the enactment of Public Law 96-586 (94 Stat. 3381) in 1980 to provide for the acquisition of environmentally sensitive land and erosion control grants;

(11) the President renewed the Federal Government's commitment to Lake Tahoe in 1997 at the Lake Tahoe Presidential Forum, when the committed to increased Federal resources for environmental restoration at Lake Tahoe and established the Federal Interagency Partnership and Federal Advisory Committee to consult on natural resources issues concerning the Lake Tahoe basin;

(12) the States of California and Nevada have contributed proportionally to the effort to protect and restore Lake Tahoe, including—

(A) expenditures—

(i) exceeding \$200,000,000 by the State of California since 1980 for land acquisition, erosion control, and other environmental projects in the Lake Tahoe basin; and

(ii) exceeding \$30,000,000 by the State of Nevada since 1980 for the purposes described in clause (i); and

(B) the approval of a bond issue by voters in the State of Nevada authorizing the expenditure by the State of an additional \$20,000,000; and

(13) significant additional investment from Federal, State, local, and private sources is needed to stop the damage to Lake Tahoe and its forests, and restore the Lake Tahoe basin to ecological health.

(b) PURPOSES.—The purposes of this Act are—

(1) to enable the Forest Service to plan and implement significant new environmental restoration activities and forest management activities to address the phenomena described in paragraphs (4) through (8) of subsection (a) in the Lake Tahoe basin;

(2) to ensure that Federal, State, local, regional, tribal, and private entities continue to work together to improve water quality and manage Federal land in the Lake Tahoe Basin Management Unit; and

(3) to provide funding to local governments for erosion and sediment control projects on non-Federal land if the projects benefit the Federal land.

### SEC. 3. DEFINITIONS.

In this Act:

(1) ENVIRONMENTAL THRESHOLD CARRYING CAPACITY.—The term “environmental threshold carrying capacity” has the meaning given the term in Article II of the Tahoe Regional Planning Compact set forth in the first section of Public Law 96-551 (94 Stat. 3235).

(2) FIRE RISK REDUCTION ACTIVITY.—

(A) IN GENERAL.—The term “fire risk reduction activity” means an activity that is necessary to reduce the risk of wildfire to promote forest management and simultaneously achieve and maintain the environmental threshold carrying capacities established by the Planning Agency in a manner consistent, where applicable, with chapter 71 of the Tahoe Regional Planning Agency Code of Ordinances.

(B) INCLUDED ACTIVITIES.—The term “fire risk reduction activity” includes—

(i) prescribed burning;

(ii) mechanical treatment;

(iii) road obliteration or reconstruction; and

- (iv) such other activities consistent with Forest Service practices as the Secretary determines to be appropriate.
- (3) **PLANNING AGENCY.**—The term “Planning Agency” means the Tahoe Regional Planning Agency established under Public Law 91–148 (83 Stat. 360) and Public Law 96–551 (94 Stat. 3233).
- (4) **PRIORITY LIST.**—The term “priority list” means the environmental restoration priority list developed under section 6.
- (5) **SECRETARY.**—The term “Secretary” means the Secretary of Agriculture, acting through the Chief of the Forest Service.

**SEC. 4. ADMINISTRATION OF THE LAKE TAHOE BASIN MANAGEMENT UNIT.**

- (a) **IN GENERAL.**—The Lake Tahoe Basin Management Unit shall be administered by the Secretary in accordance with this Act and the laws applicable to the National Forest System.
- (b) **RELATIONSHIP TO OTHER AUTHORITY.**—
  - (1) **PRIVATE OR NON-FEDERAL LAND.**—Nothing in this Act grants regulatory authority to the Secretary over private or other non-Federal land.
  - (2) **PLANNING AGENCY.**—Nothing in this Act affects or increases the authority of the Planning Agency.
  - (3) **ACQUISITION UNDER OTHER LAW.**—Nothing in this Act affects the authority of the Secretary to acquire land from willing sellers in the Lake Tahoe basin under any other law.

**SEC. 5. CONSULTATION WITH PLANNING AGENCY AND OTHER ENTITIES.**

- (a) **IN GENERAL.**—With respect to the duties described in subsection (b), the Secretary shall consult with and seek the advice and recommendations of—
  - (1) the Planning Agency;
  - (2) the Tahoe Federal Interagency Partnership established by Executive Order No. 13057 (62 Fed. Reg. 41249) or a successor Executive order;
  - (3) the Lake Tahoe Basin Federal Advisory Committee established by the Secretary on December 15, 1998 (64 Fed. Reg. 2876) (until the committee is terminated);
  - (4) Federal representatives and all political subdivisions of the Lake Tahoe Basin Management Unit; and
  - (5) the Lake Tahoe Transportation and Water Quality Coalition.
- (b) **DUTIES.**—The Secretary shall consult with and seek advice and recommendations from the entities described in subsection (a) with respect to—
  - (1) the administration of the Lake Tahoe Basin Management Unit;
  - (2) the development of the priority list;
  - (3) the promotion of consistent policies and strategies to address the Lake Tahoe basin’s environmental and recreational concerns;
  - (4) the coordination of the various programs, projects, and activities relating to the environment and recreation in the Lake Tahoe basin to avoid unnecessary duplication and inefficiencies of Federal, State, local, tribal, and private efforts; and
  - (5) the coordination of scientific resources and data, for the purpose of obtaining the best available science as a basis for decisionmaking on an ongoing basis.

**SEC. 6. ENVIRONMENTAL RESTORATION PRIORITY LIST.**

- (a) **IN GENERAL.**—Not later than 1 year after the date of enactment of this Act, the Secretary shall develop a priority list of potential or proposed environmental restoration projects for the Lake Tahoe Basin Management Unit.
- (b) **DEVELOPMENT OF PRIORITY LIST.**—In developing the priority list, the Secretary shall—
  - (1) use the best available science, including any relevant findings and recommendations of the watershed assessment conducted by the Forest Service in the Lake Tahoe basin; and
  - (2) include, in order of priority, potential or proposed environmental restoration projects in the Lake Tahoe basin that—
    - (A) are included in or are consistent with the environmental improvement program adopted by the Planning Agency in February 1998 and amendments to the program;
    - (B) would help to achieve and maintain the environmental threshold carrying capacities for—
      - (i) air quality;
      - (ii) fisheries;
      - (iii) noise;
      - (iv) recreation;
      - (v) scenic resources;
      - (vi) soil conservation;

- (vii) forest health;
  - (viii) water quality; and
  - (ix) wildlife;
- (3) in determining the order of priority of potential and proposed environmental restoration projects under paragraph (2), the focus shall address projects (listed in no particular order) involving—
- (A) erosion and sediment control, including the activities described in section 2(g) of Public Law 96–586 (94 Stat. 3381) (as amended by section 7 of this Act);
  - (B) the acquisition of environmentally sensitive land from willing sellers under Public Law 96–586 (94 Stat. 3381) or land acquisition under any other Federal law;
  - (C) fire risk reduction activities in urban areas and urban-wildland interface areas, including high recreational use areas and urban lots acquired from willing sellers under Public Law 96–586 (94 Stat. 3381);
  - (D) cleaning up methyl tertiary butyl ether contamination; and
  - (E) the management of vehicular parking and traffic in the Lake Tahoe Basin Management Unit, especially—
    - (i) improvement of public access to the Lake Tahoe basin, including the promotion of alternatives to the private automobile;
    - (ii) the Highway 28 and 89 corridors and parking problems in the area; and
    - (iii) cooperation with local public transportation systems, including—
      - (I) the Coordinated Transit System; and
      - (II) public transit systems on the north shore of Lake Tahoe.
- (c) **MONITORING.**—The Secretary shall provide for continuous scientific research on and monitoring of the implementation of projects on the priority list, including the status of the achievement and maintenance of environmental threshold carrying capacities.
- (d) **CONSISTENCY WITH MEMORANDUM OF UNDERSTANDING.**—A project on the priority list shall be conducted in accordance with the memorandum of understanding signed by the Forest Supervisor and the Planning Agency on November 10, 1989, including any amendments to the memorandum as long as the memorandum remains in effect.
- (e) **REVIEW OF PRIORITY LIST.**—Periodically, but not less than every 3 years, the Secretary shall—
- (1) review the priority list;
  - (2) consult with—
    - (A) the Tahoe Regional Planning Agency;
    - (B) interested political subdivisions; and
    - (C) the Lake Tahoe Water Quality and Transportation Coalition; and
  - (3) make any necessary changes with respect to—
    - (A) the findings of scientific research and monitoring in the Lake Tahoe basin;
    - (B) any change in an environmental threshold as determined by the Planning Agency;
    - (C) any change in general environmental conditions in the Lake Tahoe basin; and
    - (D) submit to Congress a report on any changes made.
- (f) **CLEANUP OF HYDROCARBON CONTAMINATION.**—
- (1) **IN GENERAL.**—The Secretary shall, subject to the availability of appropriations, make a payment of \$1,000,000 to the Tahoe Regional Planning Agency and the South Tahoe Public Utility District to develop and publish a plan, not later than 1 year after the date of enactment of this Act, for the prevention and cleanup of hydrocarbon contamination (including contamination with MTBE) of the surface water and ground water of the Lake Tahoe basin.
  - (2) **CONSULTATION.**—In developing the plan, the Tahoe Regional Planning Agency and the South Tahoe Public Utility District shall consult with the States of California and Nevada and appropriate political subdivisions.
  - (3) **WILLING SELLERS.**—The plan shall not include any acquisition of land or an interest in land except an acquisition from a willing seller.
- (g) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated, for the implementation of projects on the priority list and the payment identified in subsection (f), \$20,000,000 for the first fiscal year that begins after the date of enactment of this Act and for each of the 9 fiscal years thereafter.

**SEC. 7. ENVIRONMENTAL IMPROVEMENT PAYMENTS.**

Section 2 of Public Law 96–586 (94 Stat. 3381) is amended by striking subsection (g) and inserting the following:

“(g) PAYMENTS TO LOCALITIES.—

“(1) IN GENERAL.—The Secretary of Agriculture shall, subject to the availability of appropriations, make annual payments to the governing bodies of each of the political subdivisions (including any public utility the service area of which includes any part of the Lake Tahoe basin), any portion of which is located in the area depicted on the final map filed under section 3(a).

“(2) USE OF PAYMENTS.—Payments under this subsection may be used—

“(A) first, for erosion control and water quality projects; and

“(B) second, unless emergency projects arise, for projects to address other threshold categories after thresholds for water quality and soil conservation have been achieved and maintained.

“(3) ELIGIBILITY FOR PAYMENTS.—

“(A) IN GENERAL.—To be eligible for a payment under this subsection, a political subdivision shall annually submit a priority list of proposed projects to the Secretary of Agriculture.

“(B) COMPONENTS OF LIST.—A priority list under subparagraph (A) shall include, for each proposed project listed—

“(i) a description of the need for the project;

“(ii) all projected costs and benefits; and

“(iii) a detailed budget.

“(C) USE OF PAYMENTS.—A payment under this subsection shall be used only to carry out a project or proposed project that is part of the environmental improvement program adopted by the Tahoe Regional Planning Agency in February 1998 and amendments to the program.

“(D) FEDERAL OBLIGATION.—All projects funded under this subsection shall be part of Federal obligation under the environmental improvement program.

“(4) DIVISION OF FUNDS.—

“(A) IN GENERAL.—The total amounts appropriated for payments under this subsection shall be allocated by the Secretary of Agriculture based on the relative need for and merits of projects proposed for payment under this section.

“(B) MINIMUM.—To the maximum extent practicable, for each fiscal year, the Secretary of Agriculture shall ensure that each political subdivision in the Lake Tahoe basin receives amounts appropriate for payments under this subsection.

“(5) AUTHORIZATION OF APPROPRIATIONS.—In addition to the amounts authorized to be appropriated to carry out section 6 of the Lake Tahoe Restoration Act, there is authorized to be appropriated for making payments under this subsection \$10,000,000 for the first fiscal year that begins after the date of enactment of this paragraph and for each of the 9 fiscal years thereafter.”.

**SEC. 8. FIRE RISK REDUCTION ACTIVITIES.**

(a) IN GENERAL.—In conducting fire reduction activities in the Lake Tahoe basin, the Secretary shall, as appropriate, coordinate with State and local agencies and organizations, including local fire departments and volunteer groups.

(b) GROUND DISTURBANCE.—The Secretary shall, to the maximum extent practicable, minimize any ground disturbances caused by fire risk reduction activities.

**SEC. 9. AVAILABILITY AND SOURCE OF FUNDS.**

(a) IN GENERAL.—Funds authorized under this Act and the amendment made by this Act—

(1) shall be in addition to any other amounts available to the Secretary for expenditure in the Lake Tahoe basin; and

(2) shall not reduce allocations for other Regions of the Forest Service.

(b) MATCHING REQUIREMENT.—Except as provided in subsection (c), funds for activities under section 6 and section 7 of this Act shall be available for obligation on a 1-to-1 basis with funding of restoration activities in the Lake Tahoe basin by the States of California and Nevada.

(c) RELOCATION COSTS.—The Secretary shall provide  $\frac{2}{3}$  of necessary funding to local utility districts for the costs of relocating facilities in connection with environmental restoration projects under section 6 and erosion control projects under section 2 of Public Law 96–586.

**SEC. 10. AMENDMENT OF PUBLIC LAW 96–586.**

Section 3(a) of Public Law 96–586 (94 Stat. 3383) is amended by adding at the end of the following:

“(5) WILLING SELLERS.—Land within the Lake Tahoe Basin Management Unit subject to acquisition under this section that is owned by a private person shall be acquired only from a willing seller.”.

**SEC. 11. RELATIONSHIP TO OTHER LAWS.**

Nothing in this Act exempts the Secretary from the duty to comply with any applicable Federal law.

**SEC. 12. AUTHORIZATION OF APPROPRIATIONS.**

There are authorized to be appropriated such sums as are necessary to carry out this Act.

**PURPOSE OF THE MEASURE**

The purpose of S. 1925 is to promote environmental restoration around the Lake Tahoe Basin.

**BACKGROUND AND NEED**

S. 1925 requires the Forest Service to develop an annual priority list of environmental restoration projects in the Lake Tahoe Basin. The projects will improve water quality, forest health, soil conservation, air quality, and fish and wildlife habitat around Lake Tahoe. In developing potential restoration projects, the Forest Service is required to rely on the best available science, and to consider top priority projects targeted by local governments, businesses, and environmental interests. The bill authorizes \$200 million over 10 years for the Forest Service to implement these projects on federal lands.

The bill requires the Forest Service to give special attention on its priority list to five key activities: (1) acquisition of environmentally sensitive land; (2) erosion and sediment control; (3) fire risk reduction; (4) cleaning up Methyl Tertiary Butyl Ether (MTBE) contamination; and (5) traffic and parking management, including promotion of public transportation.

S. 1925 also authorizes an additional \$100 million over 10 year for local government erosion control activities on non-federal lands.

**LEGISLATIVE HISTORY**

S. 1925 was referred to the Committee on Energy and Natural Resources on November 16, 1999. The Committee on Energy and Natural Resources held a hearing on S. 1925 on February 10, 2000. At the business meeting on July 13, 2000, the Committee on Energy and Natural Resources ordered S. 1925 reported favorably with an amendment in the nature of a substitute.

**COMMITTEE RECOMMENDATION AND TABULATION OF VOTES**

The Senate Committee on Energy and Natural Resources, in open business session on July 13, 2000, by a voice vote of a quorum present recommends that the Senate pass S. 1925 if amended as described herein.

**COMMITTEE AMENDMENT**

During the consideration of S. 1925, the Committee adopted an amendment that makes several technical and clarifying changes.

**SECTION-BY-SECTION ANALYSIS**

Section 1 states that the Act may be cited as the "Lake Tahoe Restoration Act."

Section 2 give the findings and purposes of the Act.

Section 3 defines terms used in the Act.

Section 4(a) requires the Secretary of Agriculture to administer the Lake Tahoe Basin Management Unit in accordance with this Act and the laws applicable to the National Forest System.

Subsection (b) clarifies that the Act: does not give the Secretary of Agriculture regulatory authority over private or non-Federal lands; does not change the authority of the Tahoe Regional Planning Agency; and does not affect the Secretary of Agriculture's authority to acquire land from willing sellers.

Section 5 (a) requires the Secretary of Agriculture, with respect to the activities described in subsection (b), to consult with: (1) the Tahoe Regional Planning Agency; (2) the Tahoe Federal Inter-agency Partnership; (3) the Lake Tahoe Basin Federal Advisory Committee; (4) Federal representatives and all political subdivisions of the Lake Tahoe Basin Management Unit; and (5) the Lake Tahoe Transportation and Water Quality Coalition.

Subsection (b) requires the Secretary of Agriculture to consult with the entities described in subsection (a) with respect to: (1) the administration of the Lake Tahoe Basin Management Unit; (2) the development of a priority list of environmental restoration projects; (3) the promotion of policies that address the Basin's environmental and recreational concerns; (4) the coordination of environmental and recreation activities to avoid duplicate efforts; and (5) the coordination of scientific resources and data.

Section 6(a) requires the Secretary of Agriculture to develop a priority list of potential environmental restoration projects within one year of enactment.

Paragraph (b)(1) requires the Secretary of Agriculture to develop the priority list using the best available science.

Subparagraph (2)(A) requires the priority list to include projects consistent with the environmental improvement program adopted by the Tahoe Regional Planning Agency.

Subparagraph (B) requires the priority projects to achieve the environmental threshold carrying capacities for: (i) air quality; (ii) fisheries; (iii) noise; (iv) recreation; (v) scenic resources; (vi) soil conservation; (vii) forest health; (viii) water quality; and (ix) wild-life.

Paragraph (3) requires that in determining the order of priority of proposed environmental restoration projects pursuant to paragraph (2), the focus shall address (in no particular order): (A) erosion and sediment control; (B) the acquisition of environmentally sensitive land from willing sellers; (C) fire risk reduction in urban areas and urban-wildland interface areas; (D) cleaning up MTBE contamination; and (E) the management of vehicular parking and traffic in the Lake Tahoe Basin Management Unit, especially improving public access, promotion of transit systems, and traffic and parking problems in the Highway 28 and 89 corridors.

Subsection (c) requires the Secretary of Agriculture to monitor implementation of projects on the priority list.

Subsection (d) requires projects to be conducted with the memorandum of understanding signed by the Forest Supervisor and the Tahoe Regional Planning Agency.

Subsection (e) requires the Secretary of Agriculture to periodically review the priority list in consultation with the Tahoe Regional Planning Agency; interested political subdivisions; and the

Lake Tahoe Water Quality and Transportation Coalition and make any necessary changes.

Subsection (f) authorizes the Secretary of Agriculture to make a payment of \$1,000,000 to the Tahoe Regional Planning Agency and the South Tahoe Public Utility District to develop a plan for the prevention and cleanup of hydrocarbon contamination (including MTBE contamination) of surface and ground water in consultation with both California and Nevada and appropriate political subdivisions.

Subsection (g) authorizes \$20 million per year, for ten years, to be appropriated for the implementation of projects.

Section 7 amends Public Law 96-586 by replacing subsection (g) with new language as follows:

Subsection (g)(1) requires the Secretary of Agriculture to make annual payments to political subdivisions in the area subject to the availability of appropriations.

Paragraph (2) requires payments to be used first, for erosion control and water quality projects; and second for projects to address other threshold categories.

Paragraph (3) requires that an annual priority list be submitted to be eligible for payment, and that the payment be used only to carry out a project that is part of the environmental improvement program adopted by the Tahoe Regional Planning Agency.

Paragraph (4) requires that the payments be allocated based on the relative need for and merits of projects, and that each political subdivision receive the amounts appropriated to the maximum extent practicable.

Paragraph (5) authorizes \$10 million per year, for 10 years, to be appropriated for payments under this subsection.

Section 8 requires the Secretary of Agriculture to coordinate with State and local agencies concerning fire risk reduction activities, and to the extent practicable minimize any ground disturbances caused by them.

Section 9 requires that any funds authorized under this Act are in addition to other amounts available to the Secretary of Agriculture for expenditure in the Lake Tahoe basin, and shall not reduce allocations for other Regions of the Forest Service. Funds require a 1-to-1 match by California and Nevada for activities under section 6, except that the Secretary of Agriculture will provide  $\frac{2}{3}$  of funds for relocation of utility facilities.

Section 10 amends Public Law 96-586 to require land acquisition from only willing sellers.

Section 11 states that this Act does not exempt the Secretary of Agriculture from any applicable Federal law.

Section 12 authorizes appropriations to carry out this Act.

#### COST AND BUDGETARY CONSIDERATIONS

The Congressional Budget Office (CBO) estimate of the costs of this measure follows:

*S. 1925—Lake Tahoe Restoration Act*

Summary: CBO estimates that implementing S. 1925 would cost \$132 million over the 2001–2005 period, assuming appropriation of the authorized amounts. The bill would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. S. 1925 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). State and local governments might incur some costs to match the federal funds authorized by this bill, but those costs would be voluntary.

S. 1925 would establish a program to restore the ecological health of the Lake Tahoe basin in California and Nevada, and would authorize the appropriation of \$300 million for that purpose. The bill would require the Forest Service to develop and prioritize a list of projects to clean up and restore water quality in the basin and would authorize the appropriation of \$200 million over 10 years to carry out such projects on federal lands. The bill also would authorize the appropriation of \$100 million over 10 years for payments to local governments (including public utilities) within the Lake Tahoe basin to support similar cleanup activities on non-federal lands.

Estimated cost to the Federal Government: The estimated budgetary impact of S. 1925 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—				
	2001	2002	2003	2004	2005
SPENDING SUBJECT TO APPROPRIATION					
Authorization Level .....	30	30	30	30	30
Estimated Outlays .....	16	26	30	30	30

Basis of estimate: For this estimate, CBO assumes that S. 1925 will be enacted by the start of fiscal year 2001 and that the authorized amounts will be provided as specified by the bill. Estimates of outlays are based on historical spending patterns for similar programs.

S. 1925 would authorize the appropriation of \$20 million a year over the 2001–2010 period for environmental restoration projects on federal lands within the lake Tahoe basin. Based on information from the Forest Service, we estimate that outlays for those projects would total about \$84 million over the 2001–2005 period. The amount authorized for those projects in 2001 would cover the cost of a one-time payment of \$1 million to the Tahoe Regional Planning Agency and the South Tahoe Public Utility District to develop a plan for preventing and responding to hydrocarbon contamination of surface and ground water. We assume that the payment would occur during fiscal year 2001. In addition, the bill would direct the Forest Service to make payments to local governments and public utilities to support erosion control and water quality activities on nonfederal lands and would authorize the appropriation of \$10 million a year for 10 years for that purpose. Based on information from the Forest Service, CBO estimates that such payments would total \$47 million over the 2001–2005 period.

Pay-as-you-go considerations: None.

Intergovernmental and private-sector impact: S. 125 contains no intergovernmental or private-sector mandates as defined in UMRA. Local governments in the Lake Tahoe area would benefit from the payments authorized by the bill. State and local governments might incur some costs to match the federal funds, but those costs would be voluntary.

Previous CBO estimate: On July 24, 2000, CBO transmitted a cost estimate for S. 1925 as ordered reported by the Senate Committee on Energy and Natural Resources on July 13, 2000. This estimate supersedes that previous estimate. Specifically, it corrects an error in the total amount authorized to be appropriated under the bill, which was overstated by \$1 million in the previous estimate. Projected spending under this legislation over the next five years is not affected by this change.

Estimate prepared by: Federal Costs: Megan Carroll; Impact on State, Local, and Tribal Governments: Marjorie Miller; Impact on the Private Sector: Sarah Sitarek.

Estimate approved by: Robert A. Sunshine, Assistant Director for Budget Analysis.

#### REGULATORY IMPACT EVALUATION

In compliance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee makes the following evaluation of the regulatory impact which would be incurred in carrying out S. 1925.

The bill is not a regulatory measure in the sense of imposing Government-established standards or significant economic responsibilities on private individuals and businesses.

No personal information would be collected in administering the program. Therefore, there would be no impact on personal privacy.

Little, if any, additional paperwork would result from the enactment of S. 1925, as ordered reported.

#### EXECUTIVE COMMUNICATIONS

On July 13, 2000 the Committee on Energy and Natural Resources requested legislative reports from the Department of Agriculture and the Office of Management and Budget setting forth Executive agency recommendations on S. 1925. These reports had not been received at the time the report on S. 1925 was filed. When the reports become available, the Chairman will request that they be printed in the Congressional Record for the advice of the Senate. The testimony provided by the Forest Service at the Subcommittee hearing follows:

##### STATEMENT OF JACK CRAVEN, DIRECTOR OF LANDS, FOREST SERVICE, DEPARTMENT OF AGRICULTURE

Mr. Chairman and members of the committee, thank you for the opportunity to be here today to present the Administration's views on S. 1925, proposed legislation that will promote environmental restoration in the Lake Tahoe basin.

The Administration supports S. 1925, a bill that will promote environmental restoration in the Lake Tahoe basin. This bill will direct the Forest Service to consult

with the Tahoe Regional Planning Agency, Tahoe Inter-agency Partnership, and Tahoe Federal Advisory Committee regarding the administration of the Lake Tahoe Basin Management Unit. The bill will provide for the development of an environmental restoration priority list, the coordination of environmental and scientific activities and the strengthening of the intergovernmental partnerships in the basin.

This bill will also facilitate our work on the following objectives that emerged from the 1997 Presidential Forum on the Lake Tahoe basin: (1) the Administration's commitment to improve coordination among federal agencies and state and local governments and organizations, and (2) the Administration will take meaningful actions on water quality, transportation, forest management, and recreation to protect Lake Tahoe, and with it, the area's economy and quality of life.

Lake Tahoe, one of the largest, deepest, and clearest lakes in the world is recognized nationally and worldwide as a natural resource of special significance. However, the clarity of the lake is declining and the water quality of the lake continues to degrade. Some of the primary reasons for this decline are from the sediment that continues to flow into the lake from soil erosion, land disturbance, streamside erosion and from air pollution. Over the years, there has been a significant loss in the quality and quantity of wetlands, wet meadows and streamside riparian areas that would naturally trap sediment before entering the lake. There are also ecosystem restoration needs that should be addressed to reduce the chance of large wildfires in the urban-forest environment in the basin.

We will collaborate with the various agencies and organizations in developing the environmental restoration priority list to focus resources on projects that will have the greatest benefit in addressing the environmental problems in the basin. Since National Forest System lands comprise 78 percent of the watershed acreage of Lake Tahoe, the Forest Service is a pivotal partner in restoring environmental health to Lake Tahoe. This bill will facilitate the partnerships between the Forest Service and the various agencies and political subdivisions in the basin to work together to address the environmental concerns that are contributing to the water quality decline in the basin.

We would like to work with your staff to address several minor technical changes to clarify the language concerning authorities in section 6.

The Administration has appreciated working with the sponsors in crafting a bill with so much support.

#### SUMMARY

In conclusion, the Administration supports S. 1925.

I would be happy to answer any questions you and the members of the Committee might have.

## CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill S. 1925, as ordered 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):

**THE ACT OF DECEMBER 23, 1980**

AN ACT To provide for the orderly disposal of certain Federal lands in Nevada and for the acquisition of certain other lands in the Lake Tahoe Basin, and for other purposes

\* \* \* \* \*

**SEC. 2 \* \* \***

[(g)(1) The Secretary of Agriculture is authorized and directed to make annual payments to the governing bodies of each of the political subdivisions any portion of which is located in the area depicted on the final map filed pursuant to section 3(a). Such payments may be used only for water pollution control soil erosion mitigation, or acquisition by local government authorities of lands and interest in land within the Lake Tahoe Basin, or for any combination of the foregoing purposes.

[(2) The total amounts appropriated for payments pursuant to this subsection shall be allocated proportionately among such political subdivision in any fiscal year on the basis of the relative amounts of acreage acquired under this Act in each such political subdivision.

[(3) In addition to the amounts authorized to be appropriated to carry out the provisions of section 3 of the Act. There is authorized to be appropriated for making payments under this subsection a sum equal to 15 per centum of the amount appropriated under such section 3.]

*(g) PAYMENTS TO LOCALITIES.—*

*(1) IN GENERAL.—The Secretary of Agriculture shall, subject to the availability of appropriations, make annual payments to the governing bodies of each of the political subdivisions (including any public utility the service area of which includes any part of the Lake Tahoe basin), any portion of which is located in the area depicted on the final map filed under section 3(a).*

*(2) USE OF PAYMENTS.—Payments under this subsection may be used—*

*(A) first, for erosion control and water quality projects;*

*and*

*(B) second, unless emergency projects arise, for projects to address other threshold categories after thresholds for water quality and soil conservation have been achieved and maintained.*

*(3) ELIGIBILITY FOR PAYMENTS.—*

*(A) IN GENERAL.—To be eligible for a payment under this subsection, a political subdivision shall annually submit a priority list of proposed projects to the Secretary of Agriculture.*

(B) *COMPONENTS OF LIST.*—A priority list under subparagraph (A) shall include, for each proposed project listed—

- (i) a description of the need for the project;
- (ii) all projected costs and benefits; and
- (iii) a detailed budget.

(C) *USE OF PAYMENTS.*—A payment under this subsection shall be used only to carry out a project or proposed project that is part of the environmental improvement program adopted by the Tahoe Regional Planning Agency in February 1998 and amendments to the program.

(D) *FEDERAL OBLIGATION.*—All projects funded under this subsection shall be part of Federal obligation under the environmental improvement program.

(4) *DIVISION OF FUNDS.*—

(A) *IN GENERAL.*—The total amounts appropriated for payments under this subsection shall be allocated by the Secretary of Agriculture based on the relative need for and merits of projects proposed for payment under this section.

(B) *MINIMUM.*—To the maximum extent practicable, for each fiscal year, the Secretary of Agriculture shall ensure that each political subdivision in the Lake Tahoe basin receives amounts appropriated for payments under this subsection.

(5) *AUTHORIZATION OF APPROPRIATIONS.*—In addition to the amounts authorized to be appropriated to carry out section 6 of the Lake Tahoe Restoration Act, there is authorized to be appropriated for making payments under this subsection \$10,000,000 for the first fiscal year that begins after the date of enactment of this paragraph and for each of the 9 fiscal years thereafter.

\* \* \* \* \*

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(4) Lands within the boundaries of the area subject to acquisition under this section which are owned by any State or local government may be acquired only by donation.

(5) *WILLING SELLERS.*—Land within the Lake Tahoe Basin Management Unit subject to acquisition under this section that is owned by a private person shall be acquired only from a willing seller.

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