To address certain water-related concerns in the Sacramento-San Joaquin Valley, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 29, 2014

Mr. Valadao (for himself, Mr. LaMalfa, Mr. McClintock, Mr. Cook, Mr. Denham, Mr. Nunes, Mr. McCarthy of California, Mr. McKeon, Mr. Gary G. Miller of California, Mr. Royce, Mr. Calvert, Mr. Camp- bell, Mr. Rohrabacher, Mr. Issa, and Mr. Hunter) introduced the following bill; which was referred to the Committee on Natural Resources

A BILL

To address certain water-related concerns in the Sacramento-San Joaquin Valley, and for other purposes.

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the “Sacramento-San Joaquin Valley Emergency Water Delivery Act”.

(b) Table of Contents.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
TITLE I—CENTRAL VALLEY PROJECT WATER RELIABILITY

Sec. 101. Amendment to purposes.
Sec. 102. Amendment to definition.
Sec. 103. Contracts.
Sec. 104. Water transfers, improved water management, and conservation.
Sec. 105. Fish, wildlife, and habitat restoration.
Sec. 106. Restoration fund.
Sec. 107. Additional authorities.
Sec. 108. Bay-Delta Accord.
Sec. 109. Natural and artificially spawned species.
Sec. 110. Authorized service area.
Sec. 111. Regulatory streamlining.
Sec. 112. Warren Act contracts.
Sec. 113. Additional Warren Act contracts.
Sec. 114. Pilot Program to Protect Native Anadromous Fish in the Stanislaus River.
Sec. 115. San Luis Reservoir.

TITLE II—SAN JOAQUIN RIVER RESTORATION

Sec. 201. Repeal of the San Joaquin River settlement.
Sec. 202. Purpose.
Sec. 203. Definitions.
Sec. 204. Implementation of restoration.
Sec. 205. Disposal of property; title to facilities.
Sec. 206. Compliance with applicable law.
Sec. 207. Compliance with Central Valley Project Improvement Act.
Sec. 208. No private right of action.
Sec. 209. Implementation.
Sec. 210. Repayment contracts and acceleration of repayment of construction costs.
Sec. 211. Repeal.
Sec. 212. Water supply mitigation.
Sec. 213. Additional authorities.

TITLE III—REPAYMENT CONTRACTS AND ACCELERATION OF REPAYMENT OF CONSTRUCTION COSTS

Sec. 301. Repayment contracts and acceleration of repayment of construction costs.

TITLE IV—BAY-DELTA WATERSHED WATER RIGHTS PRESERVATION AND PROTECTION

Sec. 401. Water rights and area-of-origin protections.
Sec. 402. Sacramento River settlement contracts.
Sec. 403. Sacramento River Watershed Water Service Contractors.
Sec. 404. No redirected adverse impacts.

TITLE V—MISCELLANEOUS

Sec. 501. Precedent.
Sec. 502. No effect on Proclamation of State of Emergency.
Sec. 503. Wild and Scenic Rivers Act.
TITLE I—CENTRAL VALLEY
PROJECT WATER RELIABILITY

SEC. 101. AMENDMENT TO PURPOSES.
Section 3402 of the Central Valley Project Improvement Act (106 Stat. 4706) is amended—
(1) in subsection (f), by striking the period at the end; and
(2) by adding at the end the following:
“(g) to ensure that water dedicated to fish and wildlife purposes by this title is replaced and provided to Central Valley Project water contractors by December 31, 2018, at the lowest cost reasonably achievable; and
“(h) to facilitate and expedite water transfers in accordance with this Act.”.

SEC. 102. AMENDMENT TO DEFINITION.
Section 3403 of the Central Valley Project Improvement Act (106 Stat. 4707) is amended—
(1) by amending subsection (a) to read as follows:
“(a) the term ‘anadromous fish’ means those native stocks of salmon (including steelhead) and sturgeon that, as of October 30, 1992, were present in the Sacramento and San Joaquin Rivers and their tributaries and ascend those rivers and their tributaries to reproduce after maturing in San Francisco Bay or the Pacific Ocean;”;

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(2) in subsection (l), by striking “and,”;
(3) in subsection (m), by striking the period
and inserting “; and”; and
(4) by adding at the end the following:
“(n) the term ‘reasonable flows’ means water flows
capable of being maintained taking into account com-
peting consumptive uses of water and economic, environ-
mental, and social factors.”.

SEC. 103. CONTRACTS.

Section 3404 of the Central Valley Project Improve-
ment Act (106 Stat. 4708) is amended—
(1) in the heading, by striking “LIMITATION
ON CONTRACTING AND CONTRACT REFORM”
and inserting “CONTRACTS”; and
(2) by striking the language of the section and
by adding:
“(a) RENEWAL OF EXISTING LONG-TERM CON-
TRACTS.—Upon request of the contractor, the Secretary
shall renew any existing long-term repayment or water
service contract that provides for the delivery of water
from the Central Valley Project for a period of 40 years.
“(b) ADMINISTRATION OF CONTRACTS.—Except as
expressly provided by this Act, any existing long-term re-
payment or water service contract for the delivery of water
from the Central Valley Project shall be administered pur-
suant to the Act of July 2, 1956 (70 Stat. 483).

“(c) DELIVERY CHARGE.—Beginning on the date of
the enactment of this Act, a contract entered into or re-
newed pursuant to this section shall include a provision
that requires the Secretary to charge the other party to
such contract only for water actually delivered by the Sec-
retary.”.

SEC. 104. WATER TRANSFERS, IMPROVED WATER MANAGE-
MENT, AND CONSERVATION.

Section 3405 of the Central Valley Project Improve-
ment Act (106 Stat. 4709) is amended as follows:

(1) In subsection (a)—

(A) by inserting before “Except as pro-
vided herein” the following: “The Secretary
shall take all necessary actions to facilitate and
expedite transfers of Central Valley Project
water in accordance with this Act or any other
provision of Federal reclamation law and the
National Environmental Policy Act of 1969.”;

(B) in paragraph (1)(A), by striking “to
combination” and inserting “or combination”;

(C) in paragraph (2), by adding at the end
the following:
“(E) The contracting district from which the water is coming, the agency, or the Secretary shall determine if a written transfer proposal is complete within 45 days after the date of submission of such proposal. If such district or agency or the Secretary determines that such proposal is incomplete, such district or agency or the Secretary shall state with specificity what must be added to or revised in order for such proposal to be complete.

“(F) Except as provided in this section, the Secretary shall not impose mitigation or other requirements on a proposed transfer, but the contracting district from which the water is coming or the agency shall retain all authority under State law to approve or condition a proposed transfer.”; and

(D) by adding at the end the following:

“(4) Notwithstanding any other provision of Federal reclamation law—

“(A) the authority to make transfers or exchanges of, or banking or recharge arrangements using, Central Valley Project water that could have been conducted before October 30, 1992, is valid, and such transfers, exchanges,
or arrangements shall not be subject to, limited, or conditioned by this title; and

“(B) this title shall not supersede or revoke the authority to transfer, exchange, bank, or recharge Central Valley Project water that existed prior to October 30, 1992.”.

(2) In subsection (b)—

(A) in the heading, by striking “METERING” and inserting “MEASUREMENT”; and

(B) by inserting after the first sentence the following: “The contracting district or agency, not including contracting districts serving multiple agencies with separate governing boards, shall ensure that all contractor-owned water delivery systems within its boundaries measure surface water at the district or agency’s facilities up to the point the surface water is commingled with other water supplies.”.

(3) By striking subsection (d).

(4) By redesignating subsections (e) and (f) as subsections (d) and (e), respectively.

(5) By amending subsection (e) (as redesignated by paragraph (4))—
(A) by striking “as a result of the increased repayment” and inserting “that exceed the cost-of-service”; 

(B) by inserting “the delivery of” after “rates applicable to”; and 

(C) by striking “, and all increased revenues received by the Secretary as a result of the increased water prices established under subsection 3405(d) of this section,”.

SEC. 105. FISH, WILDLIFE, AND HABITAT RESTORATION.

Section 3406 of the Central Valley Project Improvement Act (106 Stat. 4714) is amended as follows:

(1) In subsection (b)—

(A) in paragraph (1)(B)—

(i) by striking “is authorized and directed to” and inserting “may”; 

(ii) by inserting “reasonable water” after “to provide”; 

(iii) by striking “anadromous fish, except that such” and inserting “anadromous fish. Such”; 

(iv) by striking “Instream flow” and inserting “Reasonable instream flow”;
(v) by inserting “and the National Marine Fisheries Service” after “United States Fish and Wildlife Service”; and

(vi) by striking “California Department of Fish and Game” and inserting “United States Geological Survey”;

(B) in paragraph (2)—

(i) by striking “primary purpose” and inserting “purposes”;

(ii) by striking “but not limited to” before “additional obligations”; and

(iii) by adding after the period the following: “All Central Valley Project water used for the purposes specified in this paragraph shall be credited to the quantity of Central Valley Project yield dedicated and managed under this paragraph by determining how the dedication and management of such water would affect the delivery capability of the Central Valley Project during the 1928 to 1934 drought period after fishery, water quality, and other flow and operational requirements imposed by terms and conditions existing in licenses, permits, and other agreements pertaining
to the Central Valley Project under applicable State or Federal law existing on October 30, 1992, have been met. To the fullest extent possible and in accordance with section 3411, Central Valley Project water dedicated and managed pursuant to this paragraph shall be reused to fulfill the Secretary’s remaining contractual obligations to provide Central Valley Project water for agricultural or municipal and industrial purposes.”; and

(C) by amending paragraph (2)(C) to read:

“(C) If by March 15th of any year the quantity of Central Valley Project water forecasted to be made available to water service or repayment contractors in the Delta Division of the Central Valley Project is below 75 percent of the total quantity of water to be made available under said contracts, the quantity of Central Valley Project yield dedicated and managed for that year under this paragraph shall be reduced by 25 percent.”.

(2) By adding at the end the following:

“(i) SATISFACTION OF PURPOSES.—

By pursuing the activities described in this
section, the Secretary shall be deemed to have met the mitigation, protection, restoration, and enhancement purposes of this title.”.

SEC. 106. RESTORATION FUND.

(a) In General.—Section 3407(a) of the Central Valley Project Improvement Act (106 Stat. 4726) is amended as follows:

(1) By inserting “(1) In General.—” before “There is hereby”.

(2) By striking “Not less than 67 percent” and all that follows through “Monies” and inserting “Monies”.

(3) By adding at the end the following:

“(2) Prohibitions.—The Secretary may not directly or indirectly require a donation or other payment to the Restoration Fund—

“(A) or environmental restoration or mitigation fees not otherwise provided by law, as a condition to—

“(i) providing for the storage or conveyance of non-Central Valley Project water pursuant to Federal reclamation laws; or
“(ii) the delivery of water pursuant to section 215 of the Reclamation Reform Act of 1982 (Public Law 97–293; 96 Stat. 1270); or

“(B) for any water that is delivered with the sole intent of groundwater recharge.”.

(b) CERTAIN PAYMENTS.—Section 3407(e)(1) of the Central Valley Project Improvement Act is amended—

(1) by striking “mitigation and restoration”;

(2) by striking “provided for or”; and

(3) by striking “of fish, wildlife” and all that follows through the period and inserting “of carrying out all activities described in this title.”.

(e) ADJUSTMENT AND ASSESSMENT OF MITIGATION AND RESTORATION PAYMENTS.—Section 3407(d)(2) of the Central Valley Project Improvement Act is amended by inserting “, or after October 1, 2015, $4 per megawatt-hour for Central Valley Project power sold to power contractors (October 2015 price levels)” after “$12 per acre-foot (October 1992 price levels) for municipal and industrial water sold and delivered by the Central Valley Project”.

(d) COMPLETION OF ACTIONS.—Section 3407(d)(2)(A) of the Central Valley Project Improvement Act is amended by inserting “no later than December 31, 2020,” after “That upon the completion of the fish, wild-
life, and habitat mitigation and restoration actions mandated under section 3406 of this title.’’.

(c) REPORT; ADVISORY BOARD.—Section 3407 of the Central Valley Project Improvement Act (106 Stat. 4714) is amended by adding at the end the following:

“(g) REPORT ON EXPENDITURE OF FUNDS.—At the end of each fiscal year, the Secretary, in consultation with the Restoration Fund Advisory Board, shall submit to Congress a plan for the expenditure of all of the funds deposited into the Restoration Fund during the preceding fiscal year. Such plan shall contain a cost-effectiveness analysis of each expenditure.

“(h) ADVISORY BOARD.—

“(1) ESTABLISHMENT.—There is hereby established the Restoration Fund Advisory Board (hereinafter in this section referred to as the ‘Advisory Board’) composed of 12 members selected by the Secretary, each for four-year terms, one of whom shall be designated by the Secretary as Chairman. The members shall be selected so as to represent the various Central Valley Project stakeholders, four of whom shall be from CVP agricultural users, three from CVP municipal and industrial users, three from CVP power contractors, and two at the discretion of the Secretary. The Secretary and the Sec-
retary of Commerce may each designate a representa-
tive to act as an observer of the Advisory Board.

“(2) DUTIES.—The duties of the Advisory Board are as follows:

“(A) To meet at least semiannually to develop and make recommendations to the Secretary regarding priorities and spending levels on projects and programs carried out pursuant to the Central Valley Project Improvement Act.

“(B) To ensure that any advice or recommendation made by the Advisory Board to the Secretary reflect the independent judgment of the Advisory Board.

“(C) Not later than December 31, 2015, and annually thereafter, to transmit to the Secretary and Congress recommendations required under subparagraph (A).

“(D) Not later than December 31, 2015, and biennially thereafter, to transmit to Congress a report that details the progress made in achieving the actions mandated under section 3406 of this title.

“(3) ADMINISTRATION.—With the consent of the appropriate agency head, the Advisory Board
may use the facilities and services of any Federal 
agency.”.

SEC. 107. ADDITIONAL AUTHORITIES.

(a) Authority for Certain Activities.—Section 
3408(c) of the Central Valley Project Improvement Act 
(106 Stat. 4728) is amended to read as follows:

“(c) Contracts for Additional Storage and 
Delivery of Water.—

“(1) In general.—The Secretary is authorized 
to enter into contracts pursuant to Federal reclama-
tion law and this title with any Federal agency, Cali-
ifornia water user or water agency, State agency, or 
private organization for the exchange, impoundment, 
storage, carriage, and delivery of nonproject water 
for domestic, municipal, industrial, fish and wildlife, 
and any other beneficial purpose.

“(2) Limitation.—Nothing in this subsection 
shall be deemed to supersede the provisions of sec-
tion 103 of Public Law 99–546 (100 Stat. 3051).

“(3) Authority for Certain Activities.—
The Secretary shall use the authority granted by 
this subsection in connection with requests to ex-
change, impound, store, carry, or deliver nonproject 
water using Central Valley Project facilities for any 
beneficial purpose.
“(4) RATES.—The Secretary shall develop rates not to exceed the amount required to recover the reasonable costs incurred by the Secretary in connection with a beneficial purpose under this subsection. Such rates shall be charged to a party using Central Valley Project facilities for such purpose. Such costs shall not include any donation or other payment to the Restoration Fund.

“(5) CONSTRUCTION.—This subsection shall be construed and implemented to facilitate and encourage the use of Central Valley Project facilities to exchange, impound, store, carry, or deliver nonproject water for any beneficial purpose.”.

(b) REPORTING REQUIREMENTS.—Section 3408(f) of the Central Valley Project Improvement Act (106 Stat. 4729) is amended—

(1) by striking “Interior and Insular Affairs and the Committee on Merchant Marine and Fisheries” and inserting “Natural Resources”;

(2) in the second sentence, by inserting before the period at the end the following: “, including progress on the plan required by subsection (j)”; and

(3) by adding at the end the following: “The filing and adequacy of such report shall be personally certified to the Committees referenced above by the
Regional Director of the Mid-Pacific Region of the
Bureau of Reclamation.”.

(c) Project Yield Increase.—Section 3408(j) of
the Central Valley Project Improvement Act (106 Stat.
4730) is amended as follows:

(1) By redesignating paragraphs (1) through
(7) as subparagraphs (A) through (G), respectively.

(2) By striking “In order to minimize adverse
effects, if any, upon” and inserting “(1) In gen-
eral.—In order to minimize adverse effects upon”.

(3) By striking “needs, the Secretary,” and all
that follows through “submit to the Congress, a”
and inserting “needs, the Secretary, on a priority
basis and not later than September 30, 2015, shall
submit to Congress a”.

(4) By striking “increase,” and all that follows
through “options:” and inserting “increase, as soon
as possible but not later than September 30, 2018
(except for the construction of new facilities which
shall not be limited by that deadline), the water of
the Central Valley Project by the amount dedicated
and managed for fish and wildlife purposes under
this title and otherwise required to meet the pur-
poses of the Central Valley Project including satis-
fying contractual obligations. The plan required by
this subsection shall include recommendations on appropriate cost-sharing arrangements and authorizing legislation or other measures needed to implement the intent, purposes, and provisions of this subsection and a description of how the Secretary intends to use the following options—”.

(5) In subparagraph (A), by inserting “and construction of new water storage facilities” before the semicolon.

(6) In subparagraph (F), by striking “and” at the end.

(7) In subparagraph (G), by striking the period and all that follows through the end of the subsection and inserting “; and”.

(8) By inserting after subparagraph (G) the following:

“(H) Water banking and recharge.”.

(9) By adding at the end the following:

“(2) IMPLEMENTATION OF PLAN.—The Secretary shall implement the plan required by paragraph (1) commencing on October 1, 2015. In order to carry out this subsection, the Secretary shall coordinate with the State of California in implementing measures for the long-term resolution of
problems in the San Francisco Bay/Sacramento-San Joaquin Delta Estuary.

“(3) FAILURE OF THE PLAN.—Notwithstanding any other provision of Federal reclamation law, if by September 30, 2018, the plan required by paragraph (1) fails to increase the annual delivery capability of the Central Valley Project by 800,000 acre-feet, implementation of any non-mandatory action under section 3406(b)(2) shall be suspended until the plan achieves an increase in the annual delivery capability of the Central Valley Project by 800,000 acre-feet.”.

(d) TECHNICAL CORRECTION.—Section 3408(h) of the Central Valley Project Improvement Act (106 Stat. 4729) is amended—

(1) in paragraph (1), by striking “paragraph (h)(2)” and inserting “paragraph (2)”; and

(2) in paragraph (2), by striking “paragraph (h)(i)” and inserting “paragraph (1)”.

(e) WATER STORAGE PROJECT CONSTRUCTION.—The Secretary, acting through the Commissioner of the Bureau of Reclamation, may partner or enter into an agreement on the water storage projects identified in section 103(d)(1) of the Water Supply Reliability, and Environmental Improvement Act (Public Law 108–361) (and Acts supplemental and amendatory to the Act) with local
joint powers authorities formed pursuant to State law by irrigation districts and other local water districts and local governments within the applicable hydrologic region, to advance these projects. No additional Federal funds are authorized for the activities authorized in sections 103(d)(1)(A)(i), 103(d)(1)(A)(ii), and 103(d)(1)(A)(iii) of Public Law 108–361. However, each water storage project under sections 103(d)(1)(A)(i), 103(d)(1)(A)(ii), and 103(d)(1)(A)(iii) of Public Law 108–361 is authorized for construction if non-Federal funds are used for financing and constructing the project.

SEC. 108. BAY-DELTA ACCORD.

(a) Congressional Direction Regarding Central Valley Project and California State Water Project Operations.—The Central Valley Project and the State Water Project shall be operated pursuant to the water quality standards and operational constraints described in the “Principles for Agreement on the Bay-Delta Standards Between the State of California and the Federal Government” dated December 15, 1994, and such operations shall proceed without regard to the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) or any other law pertaining to the operation of the Central Valley Project and the California State Water Project. Implementation of this section shall be in strict conformance

(b) Application of Laws to Others.—Neither a Federal department nor the State of California, including any agency or board of the State of California, shall impose on any water right obtained pursuant to State law, including a pre-1914 appropriative right, any condition that restricts the exercise of that water right in order to conserve, enhance, recover or otherwise protect any species that is affected by operations of the Central Valley Project or California State Water Project. Nor shall the State of California, including any agency or board of the State of California, restrict the exercise of any water right obtained pursuant to State law, including a pre-1914 appropriative right, in order to protect, enhance, or restore under the Public Trust Doctrine any public trust value. Implementation of the “Principles for Agreement on the Bay-Delta Standards Between the State of California and the Federal Government” dated December 15, 1994, shall be in strict compliance with the water rights priority system and statutory protections for areas of origin.

(e) Costs.—No cost associated with the implementation of this section shall be imposed directly or indirectly on any Central Valley Project contractor, or any other per-
son or entity, unless such costs are incurred on a voluntary
basis.

(d) Native Species Protection.—California law is
preempted with respect to any restriction on the quantity
or size of nonnative fish taken or harvested that preys
upon one or more native fish species that occupy the Sac-
ramento and San Joaquin Rivers and their tributaries or
the Sacramento-San Joaquin Rivers Delta.

SEC. 109. Natural and Artificially Spawned Species.

After the date of the enactment of this title, and re-
gardless of the date of listing, the Secretaries of the Inte-
rior and Commerce shall not distinguish between natural-
spawned and hatchery-spawned or otherwise artificially
propagated strains of a species in making any determina-
tion under the Endangered Species Act of 1973 (16
U.S.C. 1531 et seq.) that relates to any anadromous fish
species present in the Sacramento and San Joaquin Rivers
or their tributaries and ascend those rivers and their trib-
utaries to reproduce after maturing in San Francisco Bay
or the Pacific Ocean.

SEC. 110. Authorized Service Area.

The authorized service area of the Central Valley
Project shall include the area within the boundaries of the
Kettleman City Community Services District, California,
as those boundaries exist on the date of the enactment
of this title. Notwithstanding the provisions of the Act of October 30, 1992 (Public Law 102–575, 106 Stat. 4600 et seq.), upon enactment of this title, the Secretary is authorized and directed to enter into a long-term contract in accordance with the reclamation laws with the Kettleman City Community Services District, California, for the delivery of up to 900 acre-feet of Central Valley Project water for municipal and industrial use. The Secretary may temporarily reduce deliveries of the quantity of water made available pursuant to up to 25 percent of such total whenever reductions due to hydrologic circumstances are imposed upon agricultural deliveries of Central Valley Project water. If any additional infrastructure or related-costs are needed to implement this section, such costs shall be the responsibility of the non-Federal entity.

SEC. 111. REGULATORY STREAMLINING.

(a) APPLICABILITY OF CERTAIN LAWS.—Filing of a Notice of Determination or a Notice of Exemption for any project, including the issuance of a permit under State law, related to any project of the CVP or the delivery of water therefrom in accordance with the California Environmental Quality Act shall be deemed to meet the requirements of section 102(2)(C) of the National Environ-
mental Protection Act of 1969 (42 U.S.C. 4332(2)(C)) for that project or permit.

(b) CONTINUATION OF PROJECT.—The Bureau of Reclamation shall not be required to cease or modify any major Federal action or other activity related to any project of the CVP or the delivery of water there from pending completion of judicial review of any determination made under the National Environmental Protection Act of 1969 (42 U.S.C. 4332(2)(C)).

(c) PROJECT DEFINED.—For the purposes of this section:

(1) CVP.—The term “CVP” means the Central Valley Project.

(2) PROJECT.—The term “project”—

(A) means an activity that—

(i) is undertaken by a public agency, funded by a public agency, or that requires an issuance of a permit by a public agency;

(ii) has a potential to result in physical change to the environment; and

(iii) may be subject to several discretionary approvals by governmental agencies;

(B) may include construction activities, clearing or grading of land, improvements to
existing structures, and activities or equipment involving the issuance of a permit; or

(C) as defined under the California Environmental Quality Act in section 21065 of the California Public Resource Code.

SEC. 112. WARREN ACT CONTRACTS.

(a) In General.—Not later than 30 days after the date of the enactment of this Act, the Secretary of the Interior shall offer to the Oakdale Irrigation District and the South San Joaquin Irrigation District (hereafter in this section referred to as the “districts”) a contract enabling the districts to collectively impound and store up to 200,000 acre-feet of their Stanislaus River water rights in the New Melones Reservoir in accordance with the terms and conditions of sections 1 through 3 of the Act of February 21, 1911 (43 U.S.C. 523–525; commonly known as the “Warren Act”); provided, that before offering any such contract, the Secretary has determined that the amount of water to be impounded and stored under the contract will not directly or indirectly result in any redirected adverse water supply or fiscal impacts to any Central Valley Project contractor related to the Secretary’s operation of the Central Valley Project to meet legal obligations imposed by or through any State or Federal agency, including but not limited to those legal obliga-

(b) TERMS AND CONDITIONS.—The terms and conditions of any contract entered into under subsection (a) shall—

(1) be for a term of not less than 10 years; and

(2) expressly provide that—

(A) the districts may use any water impounded and stored in the New Melones Reservoir for any legal purpose under California law, including use within the boundaries of either district, transfer to and reasonable and beneficial use by a person or entity not located within the boundaries of either district, and for instream use in the Stanislaus River, the San Joaquin River, or the Sacramento-San Joaquin River Delta; and

(B) any water impounded and stored by either district shall not be released or withdrawn if the end of month September storage level for New Melones Reservoir is projected to be equal
to or below 300,000 acre-feet, but in such event
the impounded and stored water shall be re-
tained in the New Melones Reservoir for use by
the districts in the following year, subject to the
same 300,000 acre-foot minimum storage re-
quirement, and without additional payment
being required.

(c) **Conservation Account.**—Any water im-
pounded and stored in the New Melones Reservoir by ei-
ther district under the contract shall not be considered or
accounted as water placed in the districts’ conservation
account, as that account is defined and explained in the
August 30, 1988 Stipulation and Agreement entered into
by and between the Bureau of Reclamation and the dis-
tricts.

**SEC. 113. ADDITIONAL WARREN ACT CONTRACTS.**

(a) **In General.**—Not later than 30 days after the
date of the enactment of this Act, the Secretary of the
Interior shall develop and offer to the Calaveras County
Water District (hereafter in this section referred to as the
“CCWD”) a contract enabling the CCWD to impound and
store up to 100,000 acre-feet of their Stanislaus River
water rights in the New Melones Reservoir in accordance
with the terms and conditions of sections 1 through 3 of
the Act of February 21, 1911 (43 U.S.C. 523–525; com-
monly known as the “Warren Act”). This stored water may be obtained for use by CCWD at a point, or points determined convenient to the District.

(b) TERMS AND CONDITIONS.—The terms and conditions of any contract entered into under subsection (a) shall—

(1) be for a term of not less than 10 years; and

(2) expressly provide that—

(A) the CCWD may use any water impounded and stored in the New Melones Reservoir for any legal purpose under California law, including use within the boundaries of the CCWD, transfer to and reasonable and beneficial use by a person or entity not located within the boundaries of CCWD, and for instream use in the Stanislaus River, the San Joaquin River, or the Sacramento-San Joaquin River Delta; and

(B) any water impounded and stored by either district shall not be released or withdrawn if the end of month September storage level for New Melones Reservoir is projected to be equal to or below 300,000 acre-feet, but in such event the impounded and stored water shall be retained in the New Melones Reservoir for use by
the districts in the following year, subject to the
same 300,000 acre-foot minimum storage re-
requirement, and without additional payment
being required.

SEC. 114. PILOT PROGRAM TO PROTECT NATIVE ANAD-
ROMOUS FISH IN THE STANISLAUS RIVER.

(a) Establishment of Non-Native Predator
Fish Removal Program.—The Commissioner and dis-
tricts, in consultation with the National Marine Fisheries
Service, the United States Fish and Wildlife Service, and
the California Department of Fish and Wildlife, shall
jointly develop and conduct a pilot non-native predator
fish removal program to remove non-native striped bass,
smallmouth bass, largemouth bass, black bass, and other
non-native predator fishes from the Stanislaus River. The
pilot program shall—

(1) be scientifically based;

(2) include methods to quantify the number and
size of predator fishes removed each year, the im-
pact of such removal on the overall abundance of
predator fishes, and the impact of such removal on
the populations of juvenile anadromous fish found in
the Stanislaus River by, among other things, evalu-
ating the number of juvenile anadromous fish that
migrate past the rotary screw trap located at Caswell;

(3) use wire fyke trapping, portable resistance board weirs, and boat electrofishing, which are the most effective predator collection techniques that minimize affects to native anadromous fish;

(4) be developed, including the application for all necessary scientific research and species enhancement permits under section 10(a)(1) of the Endangered Species Act of 1973 (16 U.S.C. 1539(a)(1)), for the performance of the pilot program, not later than 6 months after the date of the enactment of this Act;

(5) be implemented on the first business day of the calendar year following the issuance of all necessary scientific research and species enhancement permits needed to begin the pilot program; and

(6) be implemented for a period of seven consecutive calendar years.

(b) MANAGEMENT.—The management of the pilot program shall be the joint responsibility of the Commissioner and the districts. Such parties shall work collaboratively to insure the performance of the pilot program, and shall discuss and agree upon, among other things, changes in the structure, management, personnel, tech-
niques, strategy, data collection, reporting and conduct of the pilot program.

(c) CONDUCT.—

(1) IN GENERAL.—At the election of the districts, the pilot program may be conducted by their own personnel, qualified private contractors hired by the districts, personnel of, on loan to, or otherwise assigned to the Bureau of Reclamation, or a combination thereof.

(2) PARTICIPATION BY THE BUREAU OF RECLAMATION.—In the event the districts elect to conduct the program using their own personnel or qualified private contractors hired by them, the Commissioner has the option to assign an employee of, on loan to, or otherwise assigned to the Bureau of Reclamation, to be present for all activities performed in the field. Such presence shall insure compliance with the agreed upon elements specified in subsection (b). The districts shall pay 100 percent of the cost of such participation as specified in subsection (d).

(3) TIMING OF ELECTION.—The districts shall notify the Commissioner of their election on or before October 15 of each calendar year of the pilot program, which election shall apply to the work performed in the subsequent calendar year.
(d) Funding.—

(1) Annual Funding.—The districts shall be responsible for 100 percent of the cost of the pilot program. On or before December 1 of each year of the pilot program, the Commissioner shall submit to the districts an estimate of the cost to be incurred by the Bureau of Reclamation in the following calendar year, if any, including the cost of any data collection and posting under subsection (e). If an amount equal to the estimate is not provided to the reclamation fund identified in section 3 of the Act of February 21, 1911 (43 U.S.C. 525), or any other fund as directed by the Commissioner, by the districts on or before December 31 of each year, (a) the Bureau of Reclamation shall have no obligation to conduct the pilot program activities otherwise scheduled, and (b) the districts shall be prohibited from conducting any aspect of the pilot program, until full payment is made by the districts.

(2) Accounting.—On or before September 1 of each calendar year, the Commissioner shall provide an accounting of the prior calendar year’s expenses to the districts. If the estimate paid by the districts was less than the actual costs incurred by the Bureau of Reclamation, the districts shall have
until September 30 of that calendar year to pay the
difference to the reclamation fund. If the estimate
paid by the districts was greater than the actual
costs incurred by the Bureau of Reclamation, then
a credit shall be provided to the districts, which shall
be deducted from the estimate payment the districts
must make for the work performed by the Bureau
of Reclamation, if any, in the next calendar year.

(e) REPORTING AND EVALUATION.—

(1) IN GENERAL.—On or before the 15th day
of each month, the Commissioner shall post on the
website of the Bureau of Reclamation a tabular
summary of the raw data collected in the prior
month.

(2) REPORT.—On or before June 30 of the cal-
endar year following the completion of the program,
the Commissioner and districts shall jointly publish
a peer reviewed report that—

(A) discusses the findings and conclusions
of the pilot program;

(B) synthesizes the data collected under
paragraph (1); and

(C) makes recommendations for further
study and action.

(f) PERMITS PROCESS.—
(1) Not later than 180 days after filing of an application by the Commissioner and the districts, the Secretary of the Interior, the Secretary of Commerce, or both, as appropriate, shall issue all necessary scientific research and species enhancement permits under section 10(a)(1) of the Endangered Species Act (16 U.S.C. 1539(a)(1)), for the performance of the pilot program.

(2) Any permit application that is not approved by the Secretary of the Interior, Secretary of Commerce, or both, as appropriate, for any reason, within 180 days after receiving the application, shall be deemed approved.

(3) All permits issued shall be in the name of the Bureau of Reclamation and the districts.

(4) Districts may delegate the authority to administer the permit authority to any qualified private contractor retained in accordance with subsection (c).

(5) The pilot program, including amendments thereto by the appropriate Federal and State agencies, shall constitute a conservation plan that complies with the requirements of section 10(a)(2) of the Endangered Species Act of 1973 (16 U.S.C. 1539(a)(2)).
(g) NEPA.—Section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)) shall not apply with respect to section 402 and the issuance of any permit under this subsection during the seven year period beginning on the date of the implementation of the pilot program.

(h) RESTRICTIONS.—Any restriction imposed under California law on the catch, take, or harvest of any non-native or introduced aquatic or terrestrial species that preys upon anadromous fish and that occupies or is found in the Stanislaus River is hereby void and is preempted.

(i) DEFINITIONS.—For the purposes of this section:

(1) ANADROMOUS FISH.—

(A) The term “anadromous fish” as applied to the Stanislaus River and the operation of New Melones—

(i) means those native stocks of salmon (including steelhead) that—

(I) as of October 30, 1992, were present in and had not been extirpated from the Stanislaus River, and

(II) which ascend the Stanislaus River to reproduce after maturing in San Francisco Bay or the Pacific Ocean; and
(ii) does not mean any stock, strain or member of American shad, sockeye salmon, or striped bass.

(B) The definition of anadromous fish provided in section 3403(a) of the Central Valley Project Improvement Act (Public Law 102–575) shall not apply to the operation of New Melones Dam and Reservoir, or to any Federal action in the Stanislaus River.

(2) COMMISSIONER.—The term “Commissioner” means the Commissioner of the Bureau of Reclamation.

(3) DISTRICTS.—The term “districts” means the Oakdale Irrigation District and the South San Joaquin Irrigation District.

(4) PILOT PROGRAM.—The term “program” means the pilot non-native predator removal program established under this section.

(j) SUNSET.—The authorities provided under this section shall expire seven years after the implementation of the pilot program.

SEC. 115. SAN LUIS RESERVOIR.

In connection with operations of the Central Valley Project, California, if San Luis Reservoir does not fill by the last day of February, the Secretary of the Interior
shall permit any entity with an agricultural water service
or repayment contract for the delivery of water from the
Delta Division or the San Luis Unit to reschedule into
the immediately following contract year (March 1 through
the last day of February) any unused Central Valley
Project water previously allocated for irrigation purposes.
If water remaining in Federal storage in San Luis Res-
ervoir on the last day of February is insufficient to meet
all rescheduling requests, the Secretary shall apportion,
based on contract quantity, among all such contractors
that request to reschedule water all water remaining in
San Luis Reservoir on the last day of February. The Sec-
retary shall thereafter make all reasonable efforts to make
available additional rescheduled water; provided, that such
efforts shall not interfere with the Central Valley Project
operations in the contract year into which Central Valley
Project has been rescheduled.

**TITLE II—SAN JOAQUIN RIVER
RESTORATION**

**SEC. 201. REPEAL OF THE SAN JOAQUIN RIVER SETTLE-
MENT.**

As of the date of enactment of this title, the Secretary
shall cease any action to implement the Stipulation of Set-
tlement (Natural Resources Defense Council, et al. v. Kirk
SEC. 202. PURPOSE.

Section 10002 of the San Joaquin River Restoration Settlement Act (Public Law 111–11) is amended by striking “implementation of the Settlement” and inserting “restoration of the San Joaquin River”.

SEC. 203. DEFINITIONS.

Section 10003 of the San Joaquin River Restoration Settlement Act (Public Law 111–11) is amended—

(1) by striking paragraph (1) and inserting the following:

“(1) The term ‘Restoration Flows’ means the additional water released or bypassed from Friant Dam to insure that the target flow entering Mendota Pool, located approximately 62 river miles downstream from Friant Dam, does not fall below 50 cubic feet per second.”;

(2) by striking paragraph (3) and inserting the following:

“(3) The term ‘Water Year’ means March 1 through the last day of February of the following Calendar Year, both dates inclusive.”; and

(3) by adding at the end the following new paragraph:
“(4) The term ‘Critical Water Year’ means when the total unimpaired runoff at Friant Dam is less than 400,000 acre-feet, as forecasted as of March 1 of that water year by the California Department of Water Resources.”.

SEC. 204. IMPLEMENTATION OF RESTORATION.

Section 10004 of the San Joaquin River Restoration Settlement Act (Public Law 111–11) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1),

by striking “authorized and directed” and all that follows through “in the Settlement:” and inserting “authorized to carry out the following:”;

(B) by striking paragraphs (1), (2), (4), and (5);

(C) in paragraph (3)—

(i) by striking “(3)” and inserting “(1)”;

(ii) by striking “paragraph 13 of the Settlement” and inserting “this part”; and

(D) by adding at the end the following new paragraphs:

“(2) In each Water Year, commencing in the Water Year starting on March 1, 2015—
“(A) shall modify Friant Dam operations so as to release the Restoration Flows for that Water Year, except in any Critical Water Year;

“(B) shall ensure that the release of Restoration Flows are maintained at the level prescribed by this part, but that Restoration Flows do not reach downstream of Mendota Pool;

“(C) shall release the Restoration Flows in a manner that improves the fishery in the San Joaquin River below Friant Dam, but upstream of Gravelly Ford in existence as of the date of the enactment of this part, and the associated riparian habitat; and

“(D) may, without limiting the actions required under paragraphs (A) and (C) and subject to subsections 10004(a)(3) and 10004(l), use the Restoration Flows to enhance or restore a warm water fishery downstream of Gravelly Ford to and including Mendota Pool, if the Secretary determines that it is reasonable, prudent, and feasible to do so.

“(3) Not later than 1 year after the date of the enactment of this section, the Secretary shall develop and implement, in cooperation with the State of California, a reasonable plan, to fully recirculate, re-
capture, reuse, exchange, or transfer all Restoration Flows and provide such recirculated, recaptured, reused, exchanged, or transferred flows to those contractors within the Friant Division, Hidden Unit, and Buchanan Unit of the Central Valley Project that relinquished the Restoration Flows so recirculated, recaptured, reused, exchanged, or transferred. Such a plan shall address any impact on ground water resources within the service area of the Friant Division, Hidden Unit, and Buchanan Unit of the Central Valley Project and mitigation may include ground water banking and recharge projects. Such a plan shall not impact the water supply or water rights of any entity outside the Friant Division, Hidden unit, and Buchanan Unit of the Central Valley Project. Such a plan shall be subject to applicable provisions of California water law and the Secretary’s use of Central Valley Project facilities to make Project water (other than water released from Friant Dam pursuant to this part) and water acquired through transfers available to existing south-of-Delta Central Valley Project contractors.”;

(2) in subsection (b)——
(A) in paragraph (1), by striking “the Settlement” and inserting “this part”; and

(B) in paragraph (2), by striking “the Settlement” and inserting “this part”;

(3) in subsection (c), by striking “the Settlement” and inserting “this part”;

(4) by striking subsection (d) and inserting the following:

“(d) MITIGATION OF IMPACTS.—Prior to October 1, 2015, the Secretary shall identify—

“(1) the impacts associated with the release of Restoration Flows prescribed in this part;

“(2) the measures which shall be implemented to mitigate impacts on adjacent and downstream water users, landowners and agencies as a result of Restoration Flows prescribed in this part; and

“(3) prior to the implementation of decisions or agreements to construct, improve, operate, or maintain facilities that the Secretary determines are needed to implement this part, the Secretary shall implement all mitigations measures identified in subsection (d)(2) before Restoration Flows are commenced.”;

(5) in subsection (e), by striking “the Settlement” and inserting “this part”;
(6) in subsection (f), by striking “the Settlement” and all that follows through “section 10011” and insert “this part”;

(7) in subsection (g)—

(A) by striking “the Settlement and” before this part; and

(B) by striking “or exchange contract” and inserting “exchange contract, or water rights settlement or holding contracts”;

(8) in subsection (h)—

(A) by striking “INTERIM” in the header;

(B) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by striking “Interim Flows under the Settlement” and inserting “Restoration Flows under this part”;

(ii) in subparagraph (C)—

(I) in clause (i), by striking “Interim” and inserting “Restoration”; and

(II) in clause (ii), by inserting “and” after the semicolon;

(iii) in subparagraph (D), by striking “and” at the end; and

(iv) by striking subparagraph (E);
(C) in paragraph (2)—

(i) by striking “Interim” and inserting “Restoration”;

(ii) by striking subparagraph (A); and

(iii) by striking “(B) exceed” and inserting “exceed”;

(D) in paragraph (3), by striking “Interim” and inserting “Restoration”; and

(E) by striking paragraph (4) and inserting the following:

“(4) CLAIMS.—Within 60 days of enactment of this Act the Secretary shall promulgate a rule establishing a claims process to address current and future claims including, but not limited to, ground water seepage, flooding, or levee instability damages caused as a result of, arising out of, or related to implementation of subtitle A of title X of Public Law 111–11.”;

(9) in subsection (i)—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by striking “the Settlement and parts I and III” and inserting “this part”;

(ii) in subparagraph (A), by inserting “and” after the semicolon;
(iii) in subparagraph (B)—

(I) by striking "additional amounts authorized to be appropriated, including the’’; and

(II) by striking ‘‘; and’’ and inserting a period; and

(iv) by striking subparagraph (C); and

(B) by striking paragraph (3); and

(10) by adding at the end the following new subsections:

‘‘(k) NO IMPACTS ON OTHER INTERESTS.—No Central Valley Project or other water other than San Joaquin River water impounded by or bypassed from Friant Dam shall be used to implement subsection (a)(2) unless such use is on a voluntary basis. No cost associated with the implementation of this section shall be imposed directly or indirectly on any Central Valley Project contractor, or any other person or entity, outside the Friant Division, the Hidden Unit, or the Buchanan Unit, unless such costs are incurred on a voluntary basis. The implementation of this part shall not result directly or indirectly in any reduction in water supplies or water reliability on any Central Valley Project contractor, any State Water Project contractor, or any other person or entity, outside the Friant Division, the Hidden Unit, or the Buchanan Unit,
unless such reductions or costs are incurred on a voluntary basis.

“(l) PRIORITY.—All actions taken under this part shall be subordinate to the Secretary’s use of Central Valley Project facilities to make Project water available to Project contractors, other than water released from the Friant Dam pursuant to this part.

“(m) IN GENERAL.—Notwithstanding section 8 of the Reclamation Act of 1902, except as provided in this part, including title IV of the Sacramento and San Joaquin Valleys Water Reliability Act, this part preempts and supersedes any State law, regulation, or requirement that imposes more restrictive requirements or regulations on the activities authorized under this part. Nothing in this part shall alter or modify the obligations, if any, of the Friant Division, Hidden Unit, and Buchanan Unit of the Central Valley Project, or other water users on the San Joaquin River or its tributaries, under orders issued by the State Water Resources Control Board pursuant to the Porter-Cologne Water Quality Control Act (California Water Code sections 13000 et seq.). Any such order shall be consistent with the congressional authorization for any affected Federal facility as it pertains to the Central Valley Project.
“(n) PROJECT IMPLEMENTATION.—Projects to implement this title shall be phased such that each project shall follow the sequencing identified below and include at least the—

“(1) project purpose and need;
“(2) identification of mitigation measures;
“(3) appropriate environmental review; and
“(4) prior to releasing Restoration Flows under this part, the Secretary shall—

“(A) complete the implementation of mitigation measures required; and
“(B) complete implementation of the project.”.

SEC. 205. DISPOSAL OF PROPERTY; TITLE TO FACILITIES.

Section 10005 of the San Joaquin River Restoration Settlement Act (Public Law 111–11) is amended—

(1) in subsection (a), by striking “the Settlement authorized by this part” and inserting “this part”; and

(2) in subsection (b)—

(A) in paragraph (1)—

(i) by striking “(1) IN GENERAL.—

The Secretary” and inserting “The Sec-
retary”; and
(ii) by striking “the Settlement au-

thorized by this part” and inserting “this

part”; and

(B) by striking paragraph (2); and

(3) in subsection (c)—

(A) in paragraph (1), by striking “the Set-
tlement” and inserting “this part”;

(B) in paragraph (2)—

(i) by striking “through the exercise

of its eminent domain authority”; and

(ii) by striking “the Settlement” and

inserting “this part”; and

(C) in paragraph (3), by striking “section

10009(c)” and inserting “section 10009”.

SEC. 206. COMPLIANCE WITH APPLICABLE LAW.

Section 10006 of the San Joaquin River Restoration

Settlement Act (Public Law 111–11) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by inserting “unless

otherwise provided by this part” before the pe-

riod at the end; and

(B) in paragraph (2), by striking “the Set-
tlement” and inserting “this part”;
(2) in subsection (b), by inserting “, unless otherwise provided by this part” before the period at the end;

(3) in subsection (c)—

(A) in paragraph (2), by striking “section 10004” and inserting “this part”; and

(B) in paragraph (3), by striking “the Settlement” and inserting “this part”; and

(4) in subsection (d)—

(A) by inserting “, including without limitation to sections 10004(d) and 10004(h)(4) of this part,” after “implementing this part”; and

(B) by striking “for implementation of the Settlement”.

SEC. 207. COMPLIANCE WITH CENTRAL VALLEY PROJECT IMPROVEMENT ACT.

Section 10007 of the San Joaquin River Restoration Settlement Act (Public Law 111–11) is amended—

(1) in the matter preceding paragraph (1)—

(A) by striking “the Settlement” and inserting “enactment of this part”; and

(B) by inserting “and the obligations of the Secretary and all other parties to protect and keep in good condition any fish that may be planted or exist below Friant Dam including
any obligations under section 5937 of the California Fish and Game Code and the public trust doctrine, and those of the Secretary and all other parties under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.).” before “, provided”; and
(2) in paragraph (1), by striking “, as provided in the Settlement”.

SEC. 208. NO PRIVATE RIGHT OF ACTION.

Section 10008(a) of the San Joaquin River Restoration Settlement Act (Public Law 111–11) is amended—
(1) by striking “not a party to the Settlement” after “person or entity”; and
(2) by striking “or the Settlement” before the period and inserting “unless otherwise provided by this part. Any Central Valley Project long-term water service or repayment contractor within the Friant Division, Hidden unit, or Buchanan Unit adversely affected by the Secretary’s failure to comply with section 10004(a)(3) of this part may bring an action against the Secretary for injunctive relief or damages, or both.”.

SEC. 209. IMPLEMENTATION.

Section 10009 of the San Joaquin River Restoration Settlement Act (Public Law 111–11) is amended—
(1) in the header by striking “; SETTLEMENT
FUND”; 

(2) in subsection (a)—

(A) in paragraph (1)—

(i) by striking “the Settlement” the
first place it appears and inserting “this
part”; 

(ii) by striking “, estimated to total” 
and all that follows through “subsection
(b)(1),”; and 

(iii) by striking “provided however,,”
and all that follows through
“$110,000,000 of State funds”; 

(B) in paragraph (2)—

(i) in subparagraph (A), by striking
“(A) IN GENERAL.—The Secretary” and
inserting “The Secretary”; and 

(ii) by striking subparagraph (B); and 

(C) in paragraph (3)—

(i) by striking “Except as provided in
the Settlement, to” and inserting “To”; 

and 

(ii) by striking “this Settlement” and
inserting “this part”; 

(3) in subsection (b)(1)—
(A) by striking “In addition” through 
“however, that the” and inserting “The”; 
(B) by striking “such additional appropri-
tions only in amounts equal to”; and 
(C) by striking “or the Settlement” before 
the period; 
(4) in subsection (e)— 
(A) in paragraph (1)— 
(i) in the matter preceding subpara-
graph (A), by striking “the Settlement” 
and inserting “this part”; 
(ii) in subparagraph (C), by striking 
“from the sale of water pursuant to the 
Settlement, or”; and 
(iii) in subparagraph (D), by striking 
“the Settlement” and inserting “this 
part”; and 
(B) in paragraph (2), by striking “the Set-
tlement and” before “this part”; and 
(5) by striking subsections (d) through (f).

SEC. 210. REPAYMENT CONTRACTS AND ACCELERATION OF 
REPAYMENT OF CONSTRUCTION COSTS.

Section 10010 of the San Joaquin River Restoration 
Settlement Act (Public Law 111–11) is amended— 
(1) in subsection (a)—
(A) in paragraph (3)(D), by striking “the Settlement and” before “this part”; and

(B) in paragraph (4)(C), by striking “the Settlement and” before “this part”;

(2) in subsection (e), by striking paragraph (3);

(3) in subsection (d)(1), by striking “the Settlement” in both places it appears and inserting “this part”; and

(4) in subsection (e)—

(A) in paragraph (1)—

(i) by striking “Interim Flows or Restoration Flows, pursuant to paragraphs 13 or 15 of the Settlement” and inserting “Restoration Flows, pursuant to this part”;

(ii) by striking “Interim Flows or” before “Restoration Flows”; and

(iii) by striking “the Interim Flows or Restoration Flows or is intended to otherwise facilitate the Water Management Goal, as described in the Settlement” and inserting “Restoration Flows”; and

(B) in paragraph (2)—

(i) by striking “except as provided in paragraph 16(b) of the Settlement” after
“Friant Division long-term contractor”; and

(ii) by striking “the Interim Flows or Restoration Flows or to facilitate the Water Management Goal” and inserting “Restoration Flows”.

SEC. 211. REPEAL.

Section 10011 of the San Joaquin River Restoration Settlement Act (Public Law 111–11) is repealed.

SEC. 212. WATER SUPPLY MITIGATION.

Section 10202(b) of the San Joaquin River Restoration Settlement Act (Public Law 111–11) is amended—

(1) in paragraph (1), by striking “the Interim or Restoration Flows authorized in part I of this subtitle” and inserting “Restoration Flows authorized in this part”;

(2) in paragraph (2), by striking “the Interim or Restoration Flows authorized in part I of this subtitle” and inserting “Restoration Flows authorized in this part”; and

(3) in paragraph (3)—

(A) in subparagraph (A), by striking “meet the Restoration Goal as described in part I of this subtitle” and inserting “recover Restoration Flows as described in this part”; and
(B) in subparagraph (C)—

(i) by striking “the Interim or Restoration Flows authorized in part I of this subtitle” and inserting “Restoration Flows authorized in this part”; and

(ii) by striking “, and for ensuring appropriate adjustment in the recovered water account pursuant to section 10004(a)(5)”.

SEC. 213. ADDITIONAL AUTHORITIES.

Section 10203 of the San Joaquin River Restoration Settlement Act (Public Law 111–11) is amended—

(1) in subsection (b)—

(A) by striking “section 10004(a)(4)” and inserting “section 10004(a)(3)”; and

(B) by striking “, provided” and all that follows through “section 10009(f)(2)”; and

(2) by striking subsection (e).

TITLE III—REPAYMENT CONTRACTS AND ACCELERATION OF REPAYMENT OF CONSTRUCTION COSTS

SEC. 301. REPAYMENT CONTRACTS AND ACCELERATION OF REPAYMENT OF CONSTRUCTION COSTS.

(a) Conversion of Contracts.—
(1) Not later than 1 year after enactment, the Secretary of the Interior, upon request of the contractor, shall convert all existing long-term Central Valley Project contracts entered under subsection (e) of section 9 of the Act of August 4, 1939 (53 Stat. 1196), to a contract under subsection (d) of section 9 of said Act (53 Stat. 1195), under mutually agreeable terms and conditions.

(2) Upon request of the contractor, the Secretary is further authorized to convert, not later than 1 year after enactment, any Central Valley Project long-term contract entered under subsection (e)(2) of section 9 of the Act of August 4, 1939 (53 Stat. 1194), to a contract under subsection (c)(1) of section 9 of said Act, under mutually agreeable terms and conditions.

(3) All contracts entered into pursuant to paragraph (1) shall—

(A) require the repayment, either in lump sum or by accelerated prepayment, of the remaining amount of construction costs identified in the most current version of the Central Valley Project Schedule of Irrigation Capital Allocations by Contractor, as adjusted to reflect payments not reflected in such schedule, and
propertly assignable for ultimate return by the contractor, no later than January 31, 2015, or if made in approximately equal annual installments, no later than January 31, 2018; such amount to be discounted by the Treasury Rate. An estimate of the remaining amount of construction costs as of January 31, 2015, as adjusted, shall be provided by the Secretary of the Interior to each contractor no later than 180 days after enactment;

(B) require that, notwithstanding subsection (c)(2), construction costs or other capitalized costs incurred after the effective date of the converted contract or not reflected in the schedule referenced in subparagraph (A), and properly assignable to such contractor, shall be repaid in not more than 5 years after notification of the allocation if such amount is a result of a collective annual allocation of capital costs to the contractors exercising contract conversions under this subsection of less than $5,000,000. If such amount is $5,000,000 or greater, such cost shall be repaid as provided by applicable reclamation law, provided that the
reference to the amount of $5,000,000 shall not be a precedent in any other context; and

(C) provide that power revenues will not be available to aid in repayment of construction costs allocated to irrigation under the contract.

(4) All contracts entered into pursuant to paragraph (2) shall—

(A) require the repayment in lump sum of the remaining amount of construction costs identified in the most current version of the Central Valley Project Schedule of Municipal and Industrial Water Rates, as adjusted to reflect payments not reflected in such schedule, and properly assignable for ultimate return by the contractor, no later than January 31, 2018. An estimate of the remaining amount of construction costs as of January 31, 2018, as adjusted, shall be provided by the Secretary of the Interior to each contractor no later than 180 days after enactment; and

(B) require that, notwithstanding subsection (c)(2), construction costs or other capitalized costs incurred after the effective date of the contract or not reflected in the schedule referenced in subparagraph (A), and properly as-
signable to such contractor, shall be repaid in
not more than 5 years after notification of the
allocation if such amount is a result of a collect-
tive annual allocation of capital costs to the
contractors exercising contract conversions
under this subsection of less than $5,000,000.
If such amount is $5,000,000 or greater, such
cost shall be repaid as provided by applicable
reclamation law, provided that the reference to
the amount of $5,000,000 shall not be a prece-
dent in any other context.

(b) Final Adjustment.—The amounts paid pursu-
ant to subsection (a) shall be subject to adjustment fol-
lowing a final cost allocation by the Secretary of the Inte-
rior upon completion of the construction of the Central
Valley Project. In the event that the final cost allocation
indicates that the costs properly assignable to the con-
tractor are greater than what has been paid by the con-
tractor, the contractor shall be obligated to pay the re-
maining allocated costs. The term of such additional re-
payment contract shall be no less than 1 year and no more
than 10 years, however, mutually agreeable provisions re-
garding the rate of repayment of such amount may be de-
veloped by the parties. In the event that the final cost allo-
cation indicates that the costs properly assignable to the
contractor are less than what the contractor has paid, the
Secretary of the Interior is authorized and directed to
credit such overpayment as an offset against any out-
standing or future obligation of the contractor.

(c) Applicability of Certain Provisions.—

(1) Notwithstanding any repayment obligation
under subsection (a)(3)(B) or subsection (b), upon a
contractor’s compliance with and discharge of the
obligation of repayment of the construction costs as
provided in subsection (a)(3)(A), the ownership and
full-cost pricing limitations of any provision of Fed-
eral reclamation law shall not apply to lands in such
district.

(2) Notwithstanding any repayment obligation
under paragraph (3)(B) or paragraph (4)(B) of sub-
section (a), or subsection (b), upon a contractor’s
compliance with and discharge of the obligation of
repayment of the construction costs as provided in
paragraphs (3)(A) and (4)(A) of subsection (a), such
contractor shall continue to pay applicable operation
and maintenance costs and other charges applicable
to such repayment contracts pursuant to the then-
current rate-setting policy and applicable law.

(d) Certain Repayment Obligations Not Al-
tered.—Implementation of the provisions of this section
shall not alter the repayment obligation of any other long-
term water service or repayment contractor receiving
water from the Central Valley Project, or shift any costs
that would otherwise have been properly assignable to any
contractors absent this section, including operations and
maintenance costs, construction costs, or other capitalized
costs incurred after the date of enactment of this Act, to
other such contractors.

(e) Statutory Interpretation.—Nothing in this
part shall be construed to affect the right of any long-
term contractor to use a particular type of financing to
make the payments required in paragraph (3)(A) or para-
graph (4)(A) of subsection (a).

(f) Definition of Treasury Rate.—For purposes
of this section, “Treasury Rate” shall be defined as the
20-year Constant Maturity Treasury rate published by the
United States Department of the Treasury as of October
1, 2014.
TITLE IV—BAY-DELTA WATER-SHED WATER RIGHTS PRESERVATION AND PROTECTION

SEC. 401. WATER RIGHTS AND AREA-OF-ORIGIN PROTECTIONS.

Notwithstanding the provisions of this Act, Federal reclamation law, or the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.)—

(1) the Secretary of the Interior (“Secretary”) is directed, in the operation of the Central Valley Project, to strictly adhere to State water rights law governing water rights priorities by honoring water rights senior to those belonging to the Central Valley Project, regardless of the source of priority;

(2) the Secretary is directed, in the operation of the Central Valley Project, to strictly adhere to and honor water rights and other priorities that are obtained or exist pursuant to the provisions of California Water Code sections 10505, 10505:5, 11128, 11460, and 11463; and sections 12200 to 12220, inclusive; and

(3) any action that affects the diversion of water or involves the release of water from any Central Valley Project water storage facility taken by the Secretary or the Secretary of the Department of
Commerce to conserve, enhance, recover, or otherwise protect any species listed under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) shall be applied in a manner that is consistent with water right priorities established by State law.

SEC. 402. SACRAMENTO RIVER SETTLEMENT CONTRACTS.

In the implementation of the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.), in the Bay-Delta and on the Sacramento River, the Secretary and the Secretary of Commerce are directed to apply any limitations on the operation of the Central Valley Project or to formulate any “reasonable prudent alternative” associated with the operation of the Central Valley Project in a manner that strictly adheres to and applies the water rights priorities for “Project Water” and “Base Supply” provided for in the Sacramento River Settlement Contracts. Article 3(i) of the Sacramento River Settlement Contracts shall not be utilized by the United States as means to provide shortages to the Sacramento River Settlement Contracts that are different than those provided for in Article 5(a) of those contracts.

SEC. 403. SACRAMENTO RIVER WATERSHED WATER SERVICE CONTRACTORS.

(a) In General.—Subject to subsection (b) and the absolute priority of the Sacramento River Settlement Con-
tractors to Sacramento River supplies over Central Valley Project diversions and deliveries to other contractors, the Secretary is directed, in the operation of the Central Valley Project, to allocate water provided for irrigation purposes to existing Central Valley Project agricultural water service contractors within the Sacramento River Watershed in compliance with the following:

1. Not less than 100% of their contract quantities in a “Wet” year.

2. Not less than 100% of their contract quantities in an “Above Normal” year.

3. Not less than 100% of their contract quantities in a “Below Normal” year.

4. Not less than 75% of their contract quantities in a “Dry” year.

5. Not less than 50% of their contract quantities in a “Critically Dry” year.

(b) **Protection of Municipal and Industrial Supplies.**—Nothing in subsection (a) shall be deemed to (i) modify any provision of a water service contract that addresses municipal and industrial water shortage policies of the Secretary, (ii) affect or limit the authority of the Secretary to adopt or modify municipal and industrial water shortage policies, (iii) affect or limit the authority of the Secretary to implement municipal and industrial
water shortage policies, or (iv) affect allocations to Central Valley Project municipal and industrial contractors pursuant to such policies. Neither subsection (a) nor the Secretary's implementation of subsection (a) shall constrain, govern or affect, directly or indirectly, the operations of the Central Valley Project's American River Division or any deliveries from that Division, its units or its facilities.

(c) DEFINITIONS.—In this section:

(1) The term “existing Central Valley Project agricultural water service contractors within the Sacramento River Watershed” means water service contractors within the Shasta, Trinity, and Sacramento River Divisions of the Central Valley Project, that have a water service contract in effect, on the date of the enactment of this section, that provides water for irrigation.

(2) The year type terms used in subsection (a) have the meaning given those year types in the Sacramento Valley Water Year Type (40–30–30) Index.

SEC. 404. NO REDIRECTED ADVERSE IMPACTS.

The Secretary shall insure that there are no redirected adverse water supply or fiscal impacts to those within the Sacramento River or San Joaquin River watershed or to the State Water Project arising from the Secretary's operation of the Central Valley Project to meet
legal obligations imposed by or through any State or Federal agency, including, but not limited to those legal obligations emanating from the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) or this Act, or actions or activities implemented to meet the twin goals of improving water supply or addressing environmental needs of the Bay Delta.

**TITLE V—MISCELLANEOUS**

**SEC. 501. PRECEDENT.**

Congress finds and declares that—

(1) coordinated operations between the Central Valley Project and the State Water Project, previously requested and consented to by the State of California and the Federal Government, require assertion of Federal supremacy to protect existing water rights throughout the system; and

(2) these circumstances are unique to California.

Therefore, nothing in this Act shall serve as precedent in any other State.

**SEC. 502. NO EFFECT ON PROCLAMATION OF STATE OF EMERGENCY.**

Nothing in this Act shall affect in any way the Proclamation of State of Emergency and associated Executive order issued by Governor Edmund G. Brown, Jr., on Jan-
uary 17, 2014, or the authorities granted thereby, including without limitation the authority of the California State Water Resources Control Board to modify any standards or operational constraints adopted to implement the “Principles for on the Bay-Delta Standards Between the State of California and the Federal Government”, dated December 15, 1994, so as to make additional irrigation and municipal and industrial water supplies available in the Central Valley Project and State Water Project service areas during the state of emergency.

SEC. 503. WILD AND SCENIC RIVERS ACT.


(1) by striking “the normal maximum” the first place that it appears and all that follows through “April, 1990.” and inserting the following: “the boundary of FERC Project No. 2179 as it existed on February 15, 2013, consisting of a point approximately 2,480 feet downstream of the confluence with the North Fork of the Merced River, consisting of approximately 7.4 miles.”; and

(2) by striking “the normal maximum operating pool water surface level of Lake McClure” the second place that it appears and inserting “the bound-
ary of FERC Project No. 2179 as it existed on February 15, 2013, consisting of a point approximately 2,480 feet downstream of the confluence with the North Fork of the Merced River”.

(b) Exchequer Project.—Section 3 of Public Law 102–432 is amended by striking “Act” and all that follows through the period and inserting “Act.”.