



CONGRESSMAN'S REPORT

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A Personal Note to My Readers: One of the real challenges and satisfactions of my five years in Congress has been the opportunity, 10 or 12 times a year, to close my office door, take to this typewriter and pound out a newsletter. In 1966 many of you have written to ask why your names have been taken off my mailing list; the answer is that your names are still on! I insist on doing the basic job of writing myself, and in 1966, for lack of time, I have produced just one newsletter to date. (You may recall that in my February newsletter I expressed the opinion that increased spending in Viet Nam would bring serious inflation unless we enacted an immediate tax increase to head it off.)

My days and nights (and many Sundays and holidays) the past 14 months -- the busiest time of my life -- have been filled with Colorado River water. It became apparent early this year that 1966, with some breaks and an all-out effort, could be the year hope turned to action. Newsletters and a lot of other things I try to do had to take a back seat. But now it seems that there will be no happy ending this year. In early September the situation had deteriorated to the point that Rep. John Rhodes and I felt compelled to prepare a joint statement outlining Arizona's 1965-66 Congressional efforts and giving a frank report on where we stand. Because of the great importance of this subject I am resuming my newsletter series with a similar report for my readers.

'Wait 'Til Next Year' -- Old Tune, New Verse

Readers of my newsletters will recall the series of three reports I issued in 1963 reviewing history of the Central Arizona Project proposal and exploring the legislative paths ahead. Looking back on those days immediately after the Supreme Court decision favoring Arizona (in *Arizona v. California*) one realizes how far we have come. With but three votes in the House of Representatives our prospects then seemed so dim; today our water problems have captured the interest of the nation, and we have very substantial support in both houses of Congress.

What is the Central Arizona Project? Readers of those 1963 reports recall that the heart of the project is an aqueduct bringing Arizona's share of the Colorado River to the interior of the state. Financing the project would be, as initially proposed, a power dam at Bridge Canyon on the Colorado, 80 miles below Grand Canyon National Park. As our bill developed in the current Congress it was expanded to finance water projects in the seven-state Colorado River basin, and a second dam was proposed at Marble Canyon, 12.5 miles upstream from the park. From these power revenues ultimately would come financing for works to augment the inadequate flow of the Colorado.

Developing this legislation and building support for it has been one of the greatest legislative efforts ever mounted by any state or group of states. And until recent days those of us here in Washington had remained reasonably confident that it would be passed this year. Unfortunate and unexpected developments of recent weeks have changed that outlook, and we now conclude that it is extremely unlikely that our bill, H.R. 4671, the Colorado River Basin Project Act, can pass the House and Senate in the time remaining before adjournment. In view of this discouraging change I want to emphasize the following points:

1. As long as Congress remains in session there is still hope that lightning will strike and our bill can be enacted. We must continue our efforts in this direction.
2. The outlook for the future is still bright. The Arizona delegation in Congress is more than ever convinced that construction of the CAP aqueduct, by one means or another, will be authorized and begun in the near future.
3. Arizona's heroic efforts since the Supreme Court decision in 1963 have not been in vain. I believe negotiations and hearings of the past two years will prove to have been essential ground work for eventual success. These efforts have identified our friends and our opponents; shown more clearly what is practical, realistic and feasible, and what is not; focused national attention on Arizona's serious water crisis; and aroused substantial Congressional support for our cause. These are valuable gains which will set the stage for whatever steps we take next.
4. The performance of our "water team" task force has been magnificent. Few Arizonans will ever know the great debt they owe to one of the finest teams of experts ever assembled. These men, many of whom were "on loan" from Arizona's public and private utilities and units of our state government, deserve the highest credit for the job they have done. And their work is not going down the drain.
5. Our Congressional delegation, and the state's water leaders, have developed a non-partisan partnership in working on this legislation. Arizonans of both political parties agreed in the early stages of our efforts that a mixture of politics and water would be disastrous for our state. This agreement has been kept in letter and in spirit, and it was a key element in the considerable gains we have achieved.
6. The fight for Arizona's water future must and will go on. Whether or not there is Congressional action this year, Arizona has a plain legal right to take from the river and put to use its allotted share of water. To do this, we have several alternative methods open to us. These options must now be thoroughly identified, explored and their respective advantages and disadvantages analyzed and debated.

BACKGROUND OF THE 1966 ACTION

Now for a little background. The most important House figure in water problems is the astute chairman of the Committee on Interior and Insular Affairs, Wayne Aspinall of Colorado, an old and proven friend of our state. In September, 1964, he came to Phoenix and addressed Arizona's

leaders. His advice, briefly stated was this: Don't be impatient. Rather, try to develop an area-wide plan that all basin states can support. Unity is essential, and especially between Arizona and California. If controversy persists among the states involved, your, chances will be dim. With a unified approach your project will get the earliest possible consideration.

Arizona followed that advice and immediately began negotiations with the Lower Basin states, California and Nevada, to meet these conditions. After months of often discouraging negotiations, a bargain was struck. Its essential elements were these:

- A. California, which long had blocked CAP, now agreed it should be authorized immediately.
- B. In return, Arizona would grant California a limited priority in future times of shortage. If in any particular year there were to be insufficient water to provide both a full supply for the Arizona aqueduct and California's 4.4 million acre-feet entitlement, the CAP aqueduct would bear that shortage.
- C. It was agreed that the dependable long-range supply of the river will be insufficient to meet all entitlements in the future, and that the bill should provide a long-range program to meet that shortage before it arrives by (1) immediate studies of means to augment the river, and (2) creation of a basin fund to pay for CAP and eventually pay for the necessary augmentation program. This fund would be created largely by revenues from Hualapai (Bridge Canyon) and Marble Canyon dams.

At this point we thought we had cleared the road and could roll rapidly ahead. Initial hearings were held in August and September, 1965. However, the Upper Basin states then raised vigorous objections, believing this agreement posed threats to their future water development. Thus a second and even more difficult round of negotiations began. Finally, in February, 1966, after months of travel, conferences, discouragement and give-and-take, it appeared we had achieved not just Lower Basin, but Upper and Lower Basin agreement. This required other features to be added to the bill:

- D. A complex, but mutually agreeable set of criteria for operating the Lower Basin's Hoover Dam in relation to the Upper Basin's Glen Canyon Dam.
- E. Inclusion of five Colorado-New Mexico projects costing \$360 million.
- F. An exchange grant to New Mexico of 18,000 acre-feet of new CAP water to settle its demands on the upper Gila.

It was April 1966 before every detail of legislative language could be drafted and cleared with appropriate state officials and agencies in the seven states, and the heavy calendar of the House

Interior Committee prevented the additional public hearings from beginning until early May. These time-consuming sessions were followed up in June and July by one of the most extended and bitterly fought "mark-up" (or bill-writing) sessions ever undertaken by a Congressional committee. Many amendments were added to the bill -- a few of which enhanced chances of passage while many did nothing but add to the load our project had to carry.

There were more complications in the days immediately preceding final action, but when the vote came, it was in our favor. Thereupon the bill went to the Rules Committee, where a favorable vote is needed to bring legislation to the floor. And there it sits, held up for the lack of a majority on that 15-member committee. While many factors are involved, perhaps the most important is the fear of California that we lack the votes on the floor to pass the bill in its present form.

From this discussion it can be seen that passage of a major \$1.7 billion bill is an extremely complicated exercise. Congressional procedures require a bill to pass a number of complex and difficult roadblocks. Powerful men, or powerful and determined groups who could not prevail in a vote of the whole House can exercise veto power at various Committee stages. These can be burdensome and frustrating events, but they are facts of legislative life and we must live with them.

It would be tempting at this point to level bitter charges against our California friends, but no useful purpose would be served. The fact is that many responsible California leaders gave us enthusiastic and effective help during the negotiations and in Committee. There were many acts of statesmanship and good faith on both sides. While Arizona's representatives believe California has been unnecessarily cautious and overly protective of its own interests, we recognize that, regardless of our future course, our two states must continue to live together. There is no point in recriminations. However, in the light of California's refusal to go forward with the bill as agreed upon, Arizona should serve notice that any commitment made in the past is going to be restudied to determine whether, in the future, it will advance the primary interests of our state.

OTHER FACTORS WHICH PREVENT 1966 ACTION

This background should explain Arizona's present pessimism. But the dim outlook results as well from other factors which should be mentioned:

1. The clock ran out on the seven states. By virtue of the lengthy negotiations and bill drafting problems we simply could not reach the stage where a vote of the House could be obtained until mid-August. If this point could have been reached 90 days earlier, there might well have been time (a) to satisfy all concerned that we had the votes, (b) to bypass the Rules Committee, or (c) to renegotiate the complex seven-state agreement. But the latter part of any session is more difficult than any other stage, and the latter part of an election year session is the most difficult of all.

2. More trouble expected in the Senate. Obviously passage by the House gains nothing without parallel Senate action. It is more and more apparent that moving a bill in the Senate at this late date poses grave problems. Even though the bill always has had the enthusiastic and effective support of Senator Fannin, the unfortunate illness of Senator Hayden has temporarily removed from the scene of battle Arizona's most powerful force in the Congress. Also we face the opposition of Senator Jackson of Washington, Chairman of the Senate Interior Committee, to any meaningful study of water importation into the Colorado basin.

THERE HAVE BEEN GAINS

Our goal this year was a law authorizing CAP. We started three years ago on our own goal line. Apparently we will not score this year, but we have penetrated the opponents' 20-yard line, and there are quarters yet to play. If we fail this year, we do not return 80 yards and start afresh. We will begin again somewhere past midfield. And we can point to many net gains, including these:

** A CAP bill has been voted on by a House committee only twice. In 1951 we were beaten 17-8. In 1966 we won 22-10. This dramatic reversal of Congressional strength is significant, and its impact will stand us in good stead in our future efforts.

** The people of the nation and the Members of Congress are now keenly aware -- as they were not before -- of Arizona's desperate need for water.

** Our efforts to pass this legislation have touched off a wholesome and necessary debate throughout the Colorado Basin.

** We have identified those Congressmen who will, and will not, support a total Southwest water plan -- and those who, unfavorable to the regional approach, will support CAP standing alone.

WHERE DO WE GO FROM HERE?

In January 1967, a brand new Arizona Legislature meets, and a new Congress assembles. By January, Arizona will have at least three courses to choose from. Each has its advantages and disadvantages. They are:

1. A "*Go-it-Alone*" *Arizona state water plan*. Under this approach, Arizona would bond itself for approximately \$500 million, to build an aqueduct to take from the river our allotted share of water. Such a project could be financed by construction of Marble Canyon or Hualapai Dam, for both of which Arizona Power Authority has pending applications. Or, it could be financed through the sale of bonds, a

general tax levy, the payments of water users, or a combination of these and other revenues.

2. A *"Bare-Bones" Federal Project*. In the 1965-66 effort, we faced a serious dilemma. To obtain support and concurrence of other states, we were required to make concessions, which in most instances involved additional costs and additional features. Most of these were expensive, and some were highly controversial. The bill now before the Rules Committee has a price tag of \$1.7 billion as against our original bill's cost of \$1.1 billion.

We must seriously consider whether a simple bill to authorize a federal CAP with or without one of the dams would be a better vehicle for success in the 90th Congress.

3. A *Modified Regional Bill*. As noted above, there are strong indications that the current bill is simply too big and too heavy to get through the door. It attempts to do everything for the Colorado River states in one gigantic bite. We should, therefore, consider the feasibility of keeping the advantages of long-range regional cooperation (and there are many) in a modified basin bill reduced in scope by deferring joint basin action on some of the controversial components of the present bill.

RECOMMENDATIONS

In the light of these considerations Rep. Rhodes and I made these recommendations to the Arizona Interstate Stream Commission:

- A. So long as the 89th Congress remains in session, the Congressional delegation and the task force must continue their efforts in the hope that the deadlock can be broken.
- B. The Stream Commission and the Central Arizona Project Association, as a matter of highest urgency, should not discontinue their Washington office and not disband the superb task force, but keep it on a stand-by basis.
- C. Now is the time for frank and extensive discussion of Arizona's future course -- commenting now, not in January or February when the next Congress convenes. However, it is vital that the non-partisan spirit of the past three years not be ripped apart or carelessly put aside.
- D. After the November elections and when the studies and investigations are completed, our senators and our representatives-elect must meet and consult with our Governor-elect, with the Stream Commission, with the Power Authority, with the leaders of the legislature, and with other groups concerned. We should then seek to agree on that course, or those courses, most likely to produce a water project at the earliest possible time.

HISTORY IS ON OUR SIDE

For some 30 years people on the eastern slope of the Rockies had dreams of building the Fryingpan-Arkansas Project. Like our project, it first won approval in the Senate -- in this case, in 1954. Two years later it passed the Senate again, and was reported in the House -- but never got to the floor. In 1958 the same thing happened. In 1961, greatly amended, the bill was reported -- but couldn't get to the floor for lack of a "rule." Yet the following year the bill passed both houses and became law.

I think there is a lesson in that story for Arizona. It may explain my belief, and that of Rep. Rhodes and Rep. George Senner, that the Central Arizona Project will be built in the not too-distant future -- and that the refrain "Wait 'til next year" will no longer be heard in the land.

A handwritten signature in black ink, appearing to read "Morris Udall". The signature is fluid and cursive, with a long horizontal line extending from the end of the "a" in "Udall".