

**TESTIMONY OF DUANE CLARKE, CHAIRMAN
THE HUALAPAI TRIBE OF ARIZONA
BEFORE THE HOUSE APPROPRIATIONS COMMITTEE
SUBCOMMITTEE ON INTERIOR, ENVIRONMENT, AND RELATED AGENCIES
BUREAU OF INDIAN AFFAIRS FISCAL YEAR 2027 BUDGET**

March 17, 2026

The Hualapai Tribe thanks the Subcommittee for the opportunity to present this testimony in support of \$312 million to be included in the Bureau of Indian Affairs' FY 2027 budget to fulfill the United States' obligation under the Hualapai Tribe Water Rights Settlement Act, P.L. 117-349.

The Hualapai Water Settlement was enacted in 2022 to resolve all the Tribe's water right claims in the State of Arizona. The Act secured the Hualapai Tribe 4,000 acre-feet of Central Arizona Project water from the Colorado River and authorized \$312 million to implement the settlement including for the construction and operation of a project to deliver this water to the Reservation. However, to date, only \$79,000 of that \$312 million has been deposited into the Hualapai Trust Fund Account.

Currently, our community relies on water pumped from a dwindling aquifer. The Hualapai Reservation encompasses approximately one million acres in northwestern Arizona. The Colorado River forms the 108-mile northern boundary of the Reservation through a portion of the Grand Canyon, but the Reservation itself is arid. It has no significant surface streams other than the Colorado River and very limited groundwater resources. The Tribe's groundwater wells are a depletable resource and water levels in the aquifer have been dropping for many years.

To make matters worse, the crumbling water system that delivers water to our community relies exclusively on three groundwater wells in the Truxton Aquifer near the Reservation's southern boundary. Those wells were installed in 1975, so the piping for the well system is over 50 years old. The primary well that supports both the residential community of Peach Springs-- and now also Grand Canyon West, the Tribe's economic engine-- has suffered multiple E. coli contamination events, leaving the community without water for several days. With our groundwater sources depleted and continuing to decline, access to Colorado River water is the only viable long-term solution for the Hualapai people.

The situation is even worse elsewhere on the Reservation. There is a small well on the east side of the Reservation that provides water to ranchers and wildlife in that area, but the water is not of potable quality and can't be used for human consumption. The Tribe is proud to own and operate one of the region's leading economic ventures at Grand Canyon West. This non-gaming tourist destination is one of the largest employers in Mohave County and is the primary employer for Tribal members on the Reservation. Revenue from Grand Canyon West also provides critical resources for essential government services. In 2018, the well in the West Water basin that served Grand Canyon West failed. Due to a dwindling water supply and failing infrastructure, for the last seven years, all water used at Grand Canyon West has been hauled by

truck from Peach Springs daily—15 miles to the original West Water pumphouse tanks, where the water is then pumped for 35 miles out to Grand Canyon West. This patchwork system is burdensome, insecure and very expensive, but it is the only way we can continue our operations at Grand Canyon West.

The Colorado River is the only feasible water supply for satisfying the long-term needs of the Hualapai People. Our Tribe needs delivery of Colorado River water not only to provide a permanent and secure water supply for the domestic and residential needs of our present and future population, but to fully realize the opportunities for economic development that we have at Grand Canyon West.

Against this backdrop, the Tribe negotiated a hard-fought agreement with water users in Arizona to fully and finally resolve the Tribe's claims to water rights in the Colorado and Verde River basins. With strong bipartisan support from the Arizona congressional delegation, Congress approved that settlement in 2022 with the Hualapai Tribe Water Rights Settlement Act, P.L. 117-349. The Settlement Act was a historic achievement. It promised to finally resolve our century-old water claims and end a daily water crisis that threatens our people's health, safety, and economic future.

Even though Congress has not yet appropriated the funding contemplated by the Settlement Act, our Tribe has taken the spirit of the Act seriously. Using the Tribe's own limited resources we have undertaken significant environmental compliance activities. Under the Act, these activities are obligations of the federal government that were to be paid for from the appropriations contemplated by the Act. We have stepped up and financed these activities to avoid delays in the hope that appropriations will soon come and we can turn our focus to building the water system.

Yet today, the promise of the Settlement Act is in peril. Unfortunately, although the President requested funding in his FY26 budget and this committee included funding in its Interior Appropriations bill, the settlement received no appropriations for FY26 after being excluded from the final conference agreement. We now face a binding deadline—and a compounding cost. Every day that passes without this funding not only prolongs our water crisis but also increases the ultimate cost of the project due to inflation and construction delays. Because Congress has not yet appropriated any funding for the settlement, we now have only two fiscal years—FY27 and FY28—to reach full funding. The full \$312 million must be deposited in the Hualapai Water Trust Fund by April 15, 2029, or the entire settlement becomes void. Failure would not only devastate our Tribe but would unravel the hard-fought certainty for all parties to the agreement including the United States, the State of Arizona, the Central Arizona Project, the Salt River Project and Freeport Minerals Company. It would mark the first time in history the United States has failed to meet its funding obligation under a congressionally ratified Tribal water settlement.

We urgently need your help to ensure this does not happen. Securing this water for the Hualapai people is integral to the stability and prosperity of our entire region. We stand ready to work with you to fulfill the promise of this settlement and secure a sustainable future for our Tribe. We also extend an invitation for you to visit our homelands—to come to Peach Springs

and Grand Canyon West—to see the situation for yourselves and meet the Hualapai people we are working to serve.

Therefore, for Fiscal Year 2027, we respectfully request that the Subcommittee include the full \$312 million in the Bureau of Indian Affairs Indian Water Rights Settlement Account for the Hualapai Tribe Water Rights Settlement Act.

Thank you for your time and consideration.