

**Statement of Tom Iseman,
Deputy Assistant Secretary for Water and Science
U.S. Department of the Interior
before the
U.S. House of Representatives
Committee on Natural Resources
Subcommittee on Water and Power
HR 3716, Pyramid Lake Paiute Tribe – Fish Springs Ranch Settlement Act
June 10, 2014**

Chairman McClintock, Ranking Member Napolitano, and members of the Subcommittee, my name is Tom Iseman, Deputy Assistant Secretary for Water and Science at the Department of the Interior (Department). Thank you for the opportunity to present testimony for the Department on H.R. 3716, the Pyramid Lake Paiute Tribe - Fish Springs Ranch Settlement Act, which would authorize and ratify a settlement agreement negotiated by the Pyramid Lake Paiute Tribe (Tribe) and Fish Springs Ranch LLC (Fish Springs), resolve litigation brought by the Tribe against the Bureau of Land Management (BLM), and relieve the United States of any potential liability related to the settlement. The Department does not object to H.R. 3716.

Background

In 2006, the Tribe filed a lawsuit in the federal District Court challenging a Bureau of Land Management (BLM) decision to grant to Fish Springs a right-of-way across federal land for the construction of a groundwater transmission pipeline. In March 2007, the District Court granted the Tribe's motion for a preliminary injunction and enjoined construction related to the pipeline. At this time, the Tribe and Fish Springs began settlement discussions.

In May 2007, the Tribe and Fish Springs entered into a settlement agreement (Original Agreement). Under the Original Agreement, in consideration of \$3.6 million, the transfer of over 6,200 acres of land, and other benefits provided by Fish Springs, the Tribe petitioned the District Court to dissolve the preliminary injunction and stay proceedings in the case against BLM. This allowed Fish Springs to construct the pipeline and begin pumping groundwater according to terms agreed upon by the Tribe and Fish Springs.

In 2013, the Tribe and Fish Springs entered into a Supplement to the Original Agreement (Supplemental Agreement) whereby Fish Springs and the Tribe agreed to seek legislation to settle all claims, if any, of the Tribe and the United States on behalf of the Tribe and its members for impacts or injuries to existing and claimed tribal water rights and injuries to tribal trust resources related to groundwater pumping by Fish Springs. This includes final resolution of the Tribe's lawsuit against BLM. Upon enactment of this legislation, Fish Springs will provide an additional \$3.6 million, plus accrued interest, to the Tribe.

H.R. 3716

Section 3 of H.R. 3716 would authorize and ratify the Supplemental Agreement entered into by the Tribe and Fish Springs.

Section 4 of H.R. 3716 includes waivers and releases of claims by the Tribe against both Fish Springs and the United States. H.R. 3716 would authorize the Tribe to waive claims against Fish Springs and to subordinate its existing and claimed water rights to the Fish Springs project. The Tribe would also waive claims against the United States, including claims related to: BLM's approval of the Fish Springs project; injuries to the Tribe's trust and reserved resources related to the project; and the negotiation of the Original Agreement, the Supplemental Agreement, and the implementing legislation. Rather than requiring the Department to sign waivers of claims, H.R. 3716 would extinguish any claims that the United States could bring on behalf of the Tribe and its members to the same extent that those claims are waived by the Tribe.

H.R. 3716 would ratify an agreement negotiated by the Tribe and Fish Springs. In addition, it would resolve litigation against the BLM and relieve United States of any potential liability related to the Fish Springs project, the Original Agreement, the Supplemental Agreement, and the implementing legislation. H.R. 3716 would provide these benefits without any appropriation.

The Original Agreement and the Supplemental Agreement reflect a creative and cooperative approach by the Tribe and Fish Springs to resolve a dispute regarding Fish Springs' use of groundwater and the potential effect to the Tribe's interests. These agreements were negotiated without the involvement of the Department.

Therefore, the Department does not object to H.R. 3716.

This concludes my prepared statement. I will be happy to answer any questions the Committee may have.