



Testimony  
Before the Committee on Indian  
Affairs, U.S. Senate

---

For Release on Delivery  
Expected at 2:30 p.m. ET  
Wednesday, March 4, 2015

# INDIAN IRRIGATION PROJECTS

## Deferred Maintenance and Financial Sustainability Issues Remain Unresolved

Statement of Anne-Marie Fennell, Director,  
Natural Resources and Environment

# GAO Highlights

Highlights of [GAO-15-453T](#), a testimony before the Committee on Indian Affairs, U.S. Senate

## Why GAO Did This Study

Over 100 irrigation projects and systems can be found on Indian reservations primarily across the western United States. The scarcity of water in much of the western United States makes irrigation critical to agricultural activities. In February 2006, GAO reported on 16 irrigation projects where BIA charged water users for the projects' operation and maintenance ([GAO-06-314](#)). These projects, which were generally constructed in the late 1800s and early 1900s, included water storage facilities and delivery structures for agricultural purposes.

This testimony is based on GAO's February 2006 report and updated information on BIA's fiscal year 2014 estimate of deferred maintenance and actions BIA has taken to address GAO's three recommendations. The testimony focuses on (1) BIA's estimated deferred maintenance cost for its irrigation projects, (2) shortcomings that GAO identified in BIA's management of its irrigation projects, and (3) issues GAO identified that needed to be addressed to determine the long-term direction of BIA's irrigation program.

GAO is not making any new recommendations in this testimony.

View [GAO-15-453T](#). For more information, contact Anne-Marie Fennell at (202) 512-3841 or [fennella@gao.gov](mailto:fennella@gao.gov).

March 4, 2015

## INDIAN IRRIGATION PROJECTS

### Deferred Maintenance and Financial Sustainability Issues Remain Unresolved

#### What GAO Found

The Department of the Interior's Bureau of Indian Affairs (BIA) estimated the cost for deferred maintenance for the 16 irrigation projects covered in GAO's February 2006 report at about \$850 million for fiscal year 2005. To further refine the estimate, BIA planned to hire engineering and irrigation experts to conduct thorough condition assessments of the irrigation projects to correctly identify deferred maintenance needs and costs. While the irrigation projects included in the estimate have changed somewhat in the 9 years since GAO's report, BIA's fiscal year 2014 cost estimate for deferred maintenance for its irrigation projects is about \$570 million.

In its February 2006 report, GAO found BIA's management of some of its irrigation projects had serious shortcomings that undermined effective decision making about project operations and maintenance. First, under BIA's organizational structure, officials with the authority to oversee irrigation project managers generally lacked the technical expertise needed to do so effectively, while the staff that had the expertise lacked the necessary authority to oversee project managers' decision making. Second, BIA had not consistently provided project stakeholders, such as water users, with the necessary information or opportunities to participate in project decision making, contrary to federal regulations that required BIA to consult with project stakeholders in setting project priorities. BIA has implemented GAO's two recommendations related to these management shortcomings.

In its February 2006 report, GAO found that the long-term direction of BIA's irrigation program depended on the resolution of several larger issues.

- **Financial sustainability.** BIA did not know to what extent its irrigation projects were capable of financially sustaining themselves, hindering its ability to address long-standing concerns regarding inadequate funding.
- **Funding for deferred maintenance.** BIA did not have a plan for how to obtain funding to fix deferred maintenance items—a significant challenge in times of tight budgets and competing priorities.
- **Alternative project managers.** Given BIA's many responsibilities in support of Indian communities, it might be more appropriate for other entities, such as tribes or water users, to manage some or all of the irrigation projects.

To obtain information on the long-term financial sustainability of each of the projects, GAO recommended that BIA conduct studies to determine how much it would cost to financially sustain each project and the extent to which water users on each project have the ability to pay these costs. Subsequently, in June 2008, the Department of the Interior stated in a memorandum that it did not have sufficient funding to perform these studies—and did not expect to have such funding in the foreseeable future. Since GAO's February 2006 report, BIA irrigation projects continue to face hundreds of millions of dollars of deferred maintenance needs, and financial sustainability issues also remain unresolved.

---

Chairman Barrasso, Vice Chairman Tester, and Members of the Committee:

I am pleased to be here today to participate in your hearing on S. 438—a bill to provide for the repair, replacement, and maintenance of certain Indian irrigation projects. There are over 100 irrigation projects and systems on Indian reservations primarily across the western United States. As you know, the scarcity of water in much of the western United States makes irrigation critical to the continued success of agricultural activities. In February 2006, we reported on 16 Indian irrigation projects where water users were charged for project operations and maintenance by the Department of the Interior’s (Interior) Bureau of Indian Affairs (BIA), which is responsible for providing social and economic services to Indians as well as managing land and natural resources held in trust by the United States for Indians.<sup>1</sup>

Generally initiated in the late 1800s and early 1900s by Interior as part of the federal government’s Indian assimilation policy, BIA’s irrigation program was designed to foster agricultural opportunities and provide economic benefits to Indian communities. The 16 irrigation projects include water storage facilities and delivery structures for agricultural purposes. Over time, non-Indians began buying or leasing the land served by the projects for agricultural purposes, and project stakeholders evolved from Indian water users and the tribes within the reservations to include non-Indian water users as well. Many of the water users today are non-Indian.

Reports by Interior’s Inspector General on BIA’s irrigation projects have documented that the annual operations and maintenance fees BIA has charged water users have historically been set too low to cover the full cost of running the projects.<sup>2</sup> In addition, problems have been reported with collecting the fees that have been assessed. Because of insufficient

---

<sup>1</sup>GAO, *Indian Irrigation Projects: Numerous Issues Need to Be Addressed to Improve Project Management and Financial Sustainability*, [GAO-06-314](#) (Washington, D.C.: Feb. 24, 2006).

<sup>2</sup>Department of the Interior, Office of the Inspector General, *Indian Irrigation Projects, Bureau of Indian Affairs*, 96-I-641 (Washington D.C.: March 1996); Department of the Interior, Office of the Inspector General, *Operations and Maintenance Assessments of Indian Irrigation Projects, Bureau of Indian Affairs*, W-IA-BIA-12-86 (Washington D.C.: February 1988).

---

funding, project maintenance has been consistently postponed, resulting in an extensive and costly list of deferred maintenance items. This deferred maintenance ranges from repairing or replacing dilapidated irrigation structures to clearing weeds from irrigation ditches. In addition to the deferred maintenance, water users had expressed concern that BIA had been unresponsive in addressing the projects' ongoing operations and maintenance needs.

My testimony today will summarize the findings of our February 2006 report, along with some recent updates. Specifically, I will discuss (1) BIA's estimated deferred maintenance costs for its irrigation projects; (2) shortcomings that we identified in BIA's management of its irrigation projects; and (3) issues we identified that needed to be addressed to determine the long-term direction of BIA's irrigation program. In addition, I will provide information on actions, where applicable, that BIA has taken to address the three recommendations in our February 2006 report.

For our February 2006 report, we collected documentation from BIA headquarters irrigation officials on the 16 irrigation projects, and we visited and collected information from each of BIA's four regional offices that oversee the 16 irrigation projects. We also visited 9 of the 16 projects, where we collected project-specific information from BIA officials and project stakeholders.<sup>3</sup> To examine estimated deferred maintenance costs, we reviewed BIA's lists of deferred maintenance items and cost estimates, as well as the methodology BIA used to develop these lists and estimates. To determine whether management shortcomings existed, we reviewed relevant federal regulations and agency guidance and we analyzed BIA-wide and project-specific management protocols and systems for the 9 projects we visited. Finally, to determine any issues that needed to be addressed to determine the long-term direction of the projects, we reviewed prior studies on BIA's irrigation program, and we

---

<sup>3</sup>We selected these projects based on a combination of factors aimed at maximizing our total coverage (over 50 percent of the projects), visiting at least one project in each of the regions where irrigation projects are located, visiting the project with the highest deferred maintenance cost estimate in each region using BIA's fiscal year 2004 data, and visiting what BIA considered to be the three best projects and the five worst projects. Specifically, we visited: (1) the Blackfeet Irrigation Project, (2) the Colorado River Irrigation Project, (3) the Crow Irrigation Project, (4) the Fort Belknap Irrigation Project, (5) the Pine River Irrigation Project, (6) the San Carlos Indian Works Irrigation Project, (7) the San Carlos Joint Works Irrigation Project, (8) the Wapato Irrigation Project, and (9) the Wind River Irrigation Project.

---

discussed the long-term direction of the program with BIA irrigation officials and project stakeholders. A detailed description of our scope and methodology is presented in appendix I of the February 2006 report.

For comparison purposes and to show changes that BIA has made to its estimate of deferred maintenance costs since our February 2006 report, we collected the most recent estimate of deferred maintenance costs from BIA—data for fiscal year 2014 as of September 30, 2014. We did not assess the reliability of the fiscal year 2014 estimate. We also present information on the status of the three recommendations from our report. The report upon which this testimony statement is based was conducted in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained for our report provided a reasonable basis for our findings and conclusions based on our audit objectives.

---

## Background

BIA's irrigation program was initiated in the late 1800s, as part of the federal government's Indian assimilation policy, and it was originally designed to provide economic development opportunities for Indians through agriculture. The Act of July 4, 1884, provided the Secretary of the Interior \$50,000 for the general development of irrigation on Indian lands.<sup>4</sup> Over the years, Congress continued to pass additional legislation authorizing and funding irrigation facilities on Indian lands.

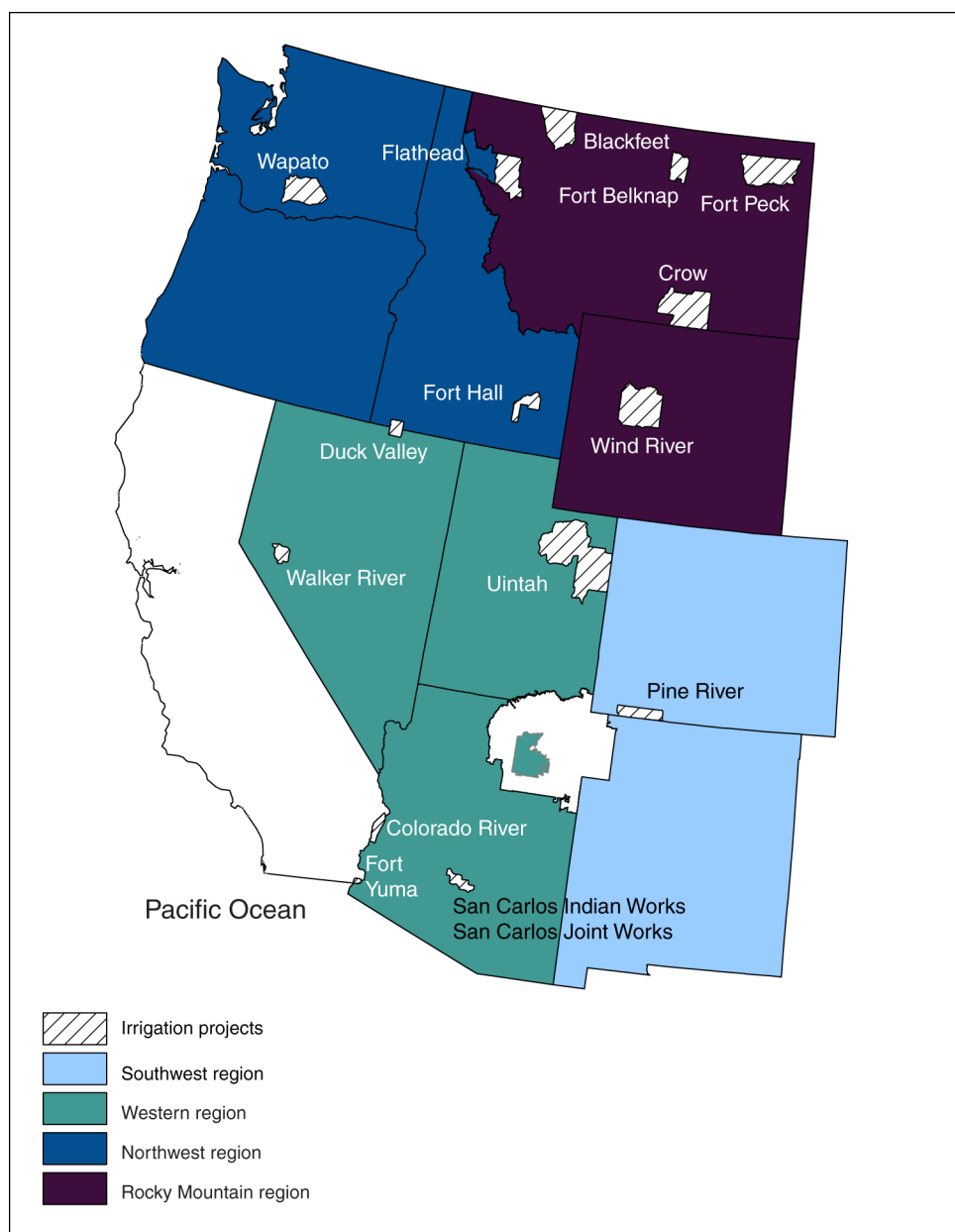
BIA's irrigation program includes over 100 "irrigation systems" and "irrigation projects" that irrigate over 750,000 acres primarily across the West. BIA's irrigation systems are nonrevenue-generating facilities that are primarily used for subsistence gardening and are operated and maintained through a collaborative effort, which generally involves other BIA programs, tribes, and water users. In contrast, BIA's 16 irrigation projects that we reported on in our February 2006 report charged their water users an annual operations and maintenance fee to fund the cost of operating and maintaining the project. Most of BIA's irrigation projects have been considered self-supporting through these operations and maintenance fees. The 16 irrigation projects are located on Indian

---

<sup>4</sup>Act of July 4, 1884, 23 Stat. 76, 94 (1884).

reservations across the agency's Rocky Mountain, Northwest, Southwest, and Western regions (see fig. 1).

**Figure 1: Location of the 16 Bureau of Indian Affairs Irrigation Projects Reported on by GAO in February 2006**



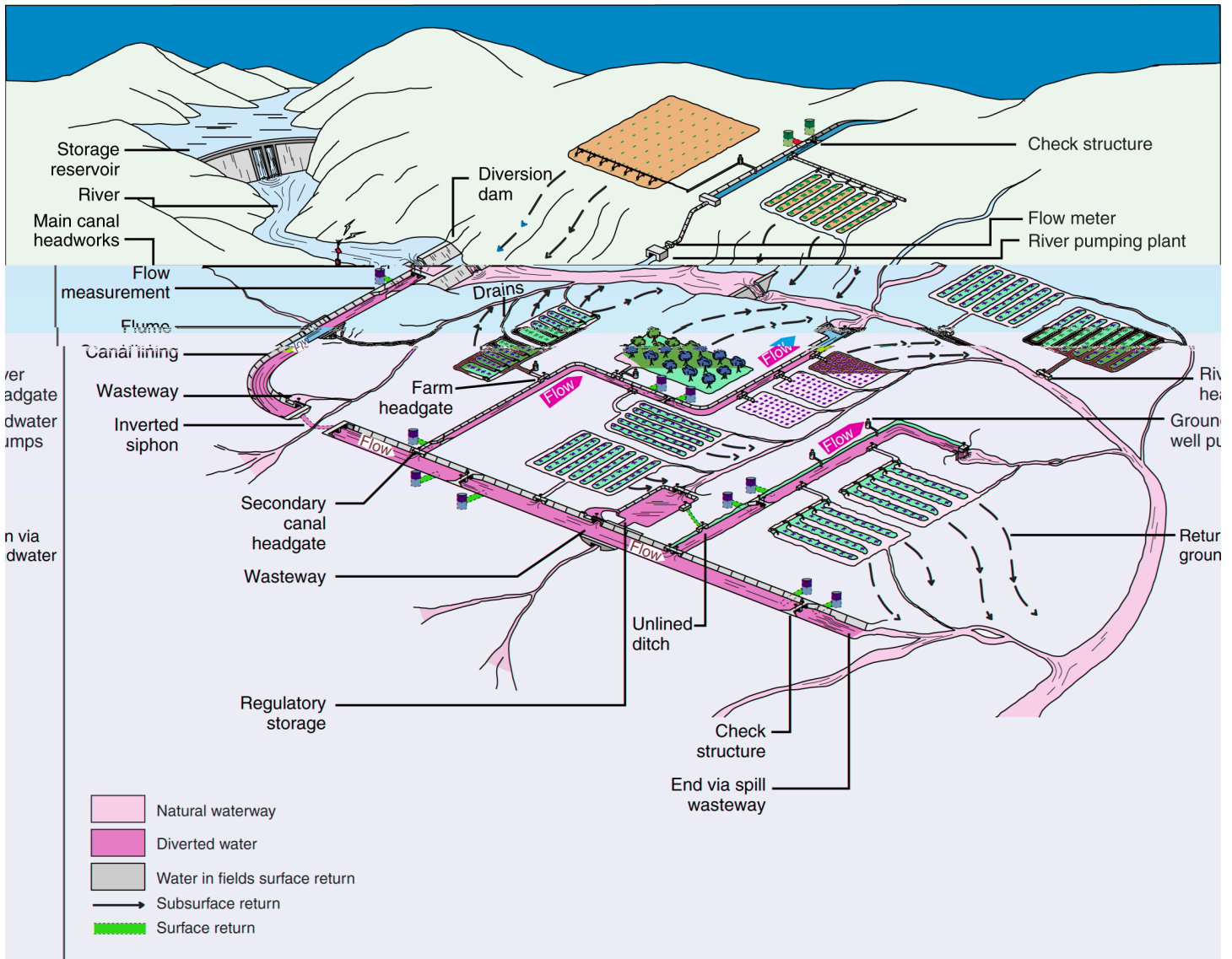
Sources: Bureau of Indian Affairs; GAO. | GAO-15-453T

---

BIA's management of its irrigation projects was decentralized, with regional and local BIA offices responsible for day-to-day operations and maintenance. Fourteen projects included in our February 2006 report were overseen by local BIA agency superintendents, and the 2 largest projects were overseen directly by regional directors. The local agency superintendents that oversaw these projects reported to their respective regional director. BIA's irrigation and engineering experts, who provide technical assistance to the projects, were located in each region, as well as in BIA's central office located in Washington, D.C., and other BIA locations in the western United States. The regional irrigation staff and central irrigation office staff did not have line authority over the projects.

The irrigation facilities constructed by BIA include a range of structures for storing and delivering water for agricultural purposes. Figure 2 highlights an example of the key structural features found on BIA's irrigation projects.

**Figure 2: Example of an Irrigation Project Operated by the Bureau of Indian Affairs**



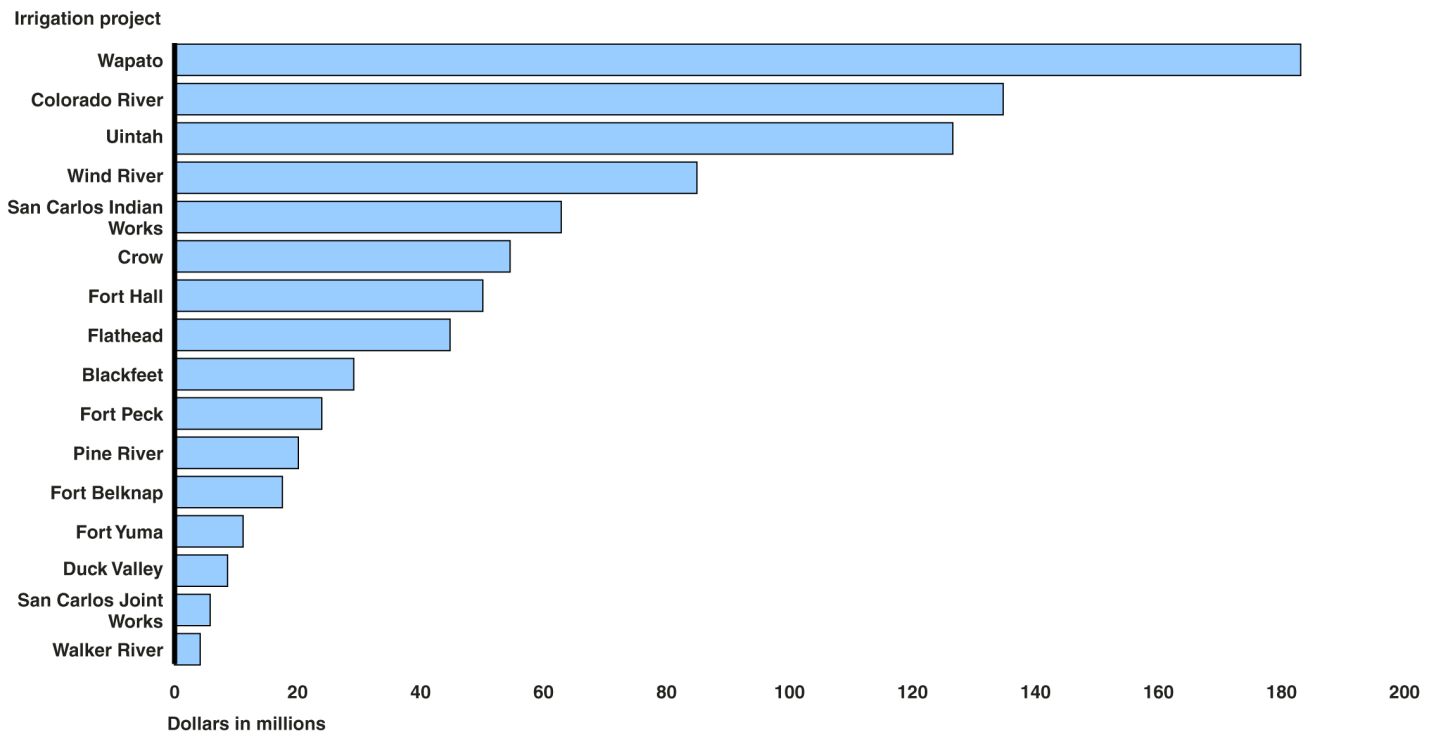
Sources: Bureau of Reclamation; GAO. | GAO-15-453T



## BIA Estimated the Cost of Deferred Maintenance at about \$850 Million in 2005, but the Estimate Has Since Been Refined to about \$570 Million

In our February 2006 report,<sup>5</sup> we found that BIA had estimated the cost for deferred maintenance at the 16 irrigation projects at about \$850 million for fiscal year 2005. See figure 3 for a breakdown of the cost estimate by project at that time.

**Figure 3: Fiscal Year 2005 Bureau of Indian Affairs Cost Estimate of Deferred Maintenance by Irrigation Project**



Source: GAO analysis of Bureau of Indian Affairs data. | GAO-15-453T

<sup>5</sup>GAO-06-314.

---

In 2006, we acknowledged that the \$850 million estimate was a work in progress, but we also found that it was inaccurate for the following reasons:

- **Some projects incorrectly counted certain items as deferred maintenance.** Some projects incorrectly counted certain items, such as new construction items and vehicles, as deferred maintenance. For example, the Wapato Irrigation Project included constructing reservoirs and the San Carlos Indian Works Irrigation Project included building a new office. In addition, some projects included the cost of repairing vehicles or buying new ones in their deferred maintenance estimates, despite BIA guidance at the time of our report that such items were not deferred maintenance. For example, the Wind River Irrigation Project included an excavator vehicle, and the Crow Irrigation Project included dump trucks.
- **Some projects provided BIA with incomplete information.** According to BIA officials, some projects did not do thorough assessments of their deferred maintenance needs, and some may not have included legitimate deferred maintenance items, such as resloping canal banks that have eroded by crossing cattle or overgrown vegetation. Moreover, neither the Walker River Irrigation Project nor the Uintah Irrigation Project provided information detailing their deferred maintenance costs at the time of our report.
- **BIA made errors when compiling the total deferred maintenance cost estimates.** For example, BIA inadvertently double-counted the estimate provided by the Colorado River Irrigation Project when compiling the overall cost estimate, according to BIA officials. Additionally, BIA officials erroneously estimated costs for all structures, such as flumes and check gates, based on the full replacement values even when items were in good or fair condition and needed only repairs.

In 2006, we concluded that while the inclusion of incorrect items and calculation errors likely contributed to the overestimation of BIA's total deferred maintenance costs, the incomplete information provided to BIA by some projects may have contributed to the underestimation of the total costs.

As we reported in 2006, to further refine its cost estimate and to develop more comprehensive deferred maintenance lists, BIA planned to hire experts in engineering and irrigation to periodically conduct thorough condition assessments of all 16 irrigation projects to identify deferred

---

maintenance needs and costs. According to BIA officials, these thorough condition assessments were expected to more accurately reflect each project's actual deferred maintenance, in part because experts in engineering and irrigation who can differentiate between structural and cosmetic problems were to conduct them. These assessments were also to help BIA prioritize the allocation of potential funds to complete deferred maintenance items because they would assign a prioritization rating to each deferred maintenance item based on the estimated repair or replacement cost, as well as the overall importance to the project. The first such assessment was completed in July 2005, and BIA planned to reassess the condition of each project at least once every 5 years, with the first round of such condition assessments to be completed by the end of 2010.

While the irrigation projects included in BIA's estimate of deferred maintenance costs have changed somewhat since our report, the most recent deferred maintenance cost estimate for fiscal year 2014 was just under \$570 million (see table 1).<sup>6</sup> Several reasons may have contributed to the lower estimate including more thorough condition assessments and maintenance work performed since our report. However, we did not assess the reliability of the fiscal year 2014 estimate.<sup>7</sup> The new estimate is presented for comparison purposes to demonstrate changes that BIA made to the earlier fiscal year 2005 estimate that we raised concerns about in our February 2006 report. Table 1 also shows that most of the condition assessments are now more than 5 years old, and they were not all completed by 2010. Condition assessments for a few projects are still ongoing.

---

<sup>6</sup>The fiscal year 2014 and fiscal year 2005 estimates, either by project or in total, cannot be directly compared without adjusting for inflation. In addition, since the number of projects included in each year's total estimate varies, any comparison of the total estimates would not be meaningful.

<sup>7</sup>Specifically, we did not determine the extent to which BIA addressed the inaccuracies that we found in its fiscal year 2005 estimate or whether any such inaccuracies still remain.

**Table 1: Bureau of Indian Affairs's Refined Estimate of Deferred Maintenance Costs, Fiscal Year 2014**

Dollars in millions

Irrigation project	Deferred maintenance for fiscal year 2014	Condition assessment completion date	Replacement value
Irrigation projects in GAO's February 2006 report, <a href="#">GAO-06-314</a>			
Wapato	\$138	2014	\$1,371
Flathead	82	2008	237
Fort Hall	30	2009	128
Wind River	30	2008	93
Blackfeet	26	2007	50
Uintah	25	2009	593
Colorado River	17	2011	332
Crow	17	2007	59
Walker River	17	2008	44
San Carlos <sup>a</sup>	16	Ongoing	201
Fort Peck	13	2007	33
Pine River	11	2008	39
Duck Valley	8	2009	48
Fort Belknap	8	2007	19
Fort Yuma	<sup>b</sup>	<sup>b</sup>	<sup>b</sup>
<b>Subtotal</b>	<b>\$438</b>		<b>\$3,247</b>
Other irrigation real property assets that the Bureau of Indian Affairs counts in its estimate			
Navajo	\$125	Ongoing	\$1,039
Pyramid Lake	5	Ongoing	49
<b>Subtotal</b>	<b>\$130</b>		<b>\$1,088</b>
<b>Total</b>	<b>\$568</b>		<b>\$4,335</b>

Source: Bureau of Indian Affairs. | GAO-15-453T

Notes: We did not assess the reliability of BIA's new estimates, they are presented simply for comparison purposes to demonstrate changes that BIA has made since its fiscal year 2005 estimate.

Some water rights settlements between Indian tribes and the federal government established funds or accounts for irrigation project maintenance, which may be used to fund some or all of the deferred maintenance at those projects. For example, water rights settlements between the federal government and the Crow Tribe and the Shoshone-Paiute Tribes of the Duck Valley Reservation established funds or accounts for maintenance of the Crow and Duck Valley Irrigation Projects, respectively.

<sup>a</sup>In our February 2006 report, we listed the San Carlos Joint Works Irrigation Project and the San Carlos Indian Works Irrigation Project separately. Since February 2006 report, the management of these projects has been reorganized, and the Bureau of Indian Affairs now tracks them together as one project.

<sup>b</sup>Fort Yuma is the responsibility of the Bureau of Reclamation.

---

## BIA Addressed the Management Shortcomings Identified in Our February 2006 Report

In our February 2006 report, we found that BIA's management of some of its irrigation projects had serious shortcomings that undermined effective decision making about project operations and maintenance. First, under BIA's organizational structure, in many cases, officials with the authority to oversee project managers' decision making lacked the technical expertise needed to do so effectively, while the staff who had the expertise lacked the necessary authority to oversee project managers' decision making. The BIA regional directors and local agency superintendents and deputy superintendents that provided oversight on projects did not generally have engineering or irrigation expertise and relied heavily on the project managers to run the projects. Of the nine projects that we visited for our February 2006 report, only two had managers at the regional or agency levels who were experts in irrigation or engineering. We found that such an organizational structure and reliance on the project managers breaks down when the person managing the project lacks the expertise required for the position—that is, in cases in which BIA has had difficulty filling project manager vacancies and has, as a result, hired less qualified people. For example, at the Crow project in 2002, a project manager with insufficient expertise decided to repair a minor leak in a key water delivery structure by dismantling it and replacing it with a different type of structure. The new structure was subsequently deemed inadequate by BIA's irrigation experts, and the required reconstruction delayed water delivery by about a month. Furthermore, we found that the BIA staff with the necessary expertise—regional irrigation engineers and central irrigation office staff—had no authority over the 16 projects. Consequently, key technical decisions about project operations and maintenance, such as when or how to repair critical water delivery infrastructure, did not necessarily get the technical oversight or scrutiny needed.

To address this shortcoming, in our February 2006 report, we recommended that BIA provide the necessary level of technical support for project managers who have less than the desired level of engineering qualifications by putting these projects under the direct supervision of regional or central irrigation office staff or by implementing more stringent protocols for engineer review and approval of actions taken at the projects. In response to our recommendation, in February 2007, the Director of BIA issued a technical review and assistance policy directive to the relevant BIA regional directors to ensure that adequate review and assistance is given to BIA irrigation project managers. The policy provided for strict protocols for engineer review and approval of actions taken at the projects by those with the necessary engineering expertise. It also outlined specific responsibilities for irrigation project managers, as

---

well as other key irrigation staff. In addition, BIA has made other organizational line authority changes to address this recommendation.<sup>8</sup>

Second, in our February 2006 report, we found that BIA did not consistently provide information and opportunities for stakeholders to participate in setting project priorities. Federal regulations required BIA to consult with project stakeholders—such as, tribal council representatives, as well as Indian and non-Indian water users—in setting project priorities but BIA did not consistently do so.<sup>9</sup> For example, we reported that the Wapato Irrigation Project had shared little information on its spending with stakeholders, and the Pine River Irrigation Project did not meet with its nontribal stakeholders, limiting stakeholders' ability to have an impact on project decisions and BIA's ability to benefit from their input.

To address the second shortcoming, in our February 2006 report, we recommended that BIA require, at a minimum, that irrigation project management meet twice annually with all project stakeholders—once at the end of a season and once before the next season—to provide information on project operations, including budget plans and actual annual expenditures, and to obtain feedback and input. In response to our recommendation, in July 2006, the Acting Director of BIA directed each of the four BIA regional directors responsible for the 16 irrigation projects to personally ensure that irrigation staff meet twice annually, at a minimum, with water users and other stakeholders—once at the end of the season and once before the next season. For projects that operate year-round, the project managers in consultation with project water users were to determine mutually acceptable times for holding these two annual meetings. At these meetings, BIA's irrigation project managers and irrigation staff were directed to provide information on project operations, including budget plans and actual annual expenditures, and obtain feedback and input. This policy change was published in the *Federal Register* in April 2007.<sup>10</sup> In addition, BIA irrigation project managers were

---

<sup>8</sup>For example, according to BIA, the Rocky Mountain Region realigned the organizational structure for its five irrigation projects. The five Irrigation Project Managers now report directly to the Regional Water Resources Branch Chief, an engineering position.

<sup>9</sup>25 C.F.R. § 171.1(c) (2005). This regulation was amended in 2008 to require BIA to cooperate and consult with all interested parties, especially persons or entities to which it provides irrigation service and receives uses of BIA irrigation facilities, such as irrigators and landowners. 25 C.F.R. § 171.110(b) (2015).

<sup>10</sup>72 Fed. Reg. 19950 (Apr. 20, 2007).

---

directed to submit documentation of the meetings to BIA headquarters irrigation staff.

---

## Long-Term Direction of BIA's Irrigation Program Depends on Resolution of a Number of Larger Issues

In our February 2006 report, we found that the long-term direction of BIA's irrigation program depended on the resolution of the following larger issues:

- **Financial sustainability.** Of the most importance, BIA did not know to what extent its irrigation projects were capable of financially sustaining themselves, which hindered the agency's ability to address long-standing concerns regarding inadequate funding. Despite this lack of information on the overall financial situation for each of the projects, in the early 1960s, BIA classified more than half of the 16 projects that we reported on as fully self-supporting on the basis of annual operations and maintenance fees they collected from water users. These self-supporting projects did not receive any ongoing appropriated funds. These projects were subject to full cost recovery despite the absence of financial information to demonstrate that the water users could sustain this financial burden. The heavy reliance on water users to sustain these projects had created ongoing tension between the water users and BIA. Some water users had complained to BIA that they could not afford the operations and maintenance fees, and they had pressured BIA to keep the fees as low as possible. Without definitive information on the financial situation of each project, we concluded that BIA could not determine what portion of project operations and maintenance costs can be reasonably borne by the water users and to what extent alternative sources of financing, such as congressional appropriations, should be pursued.
- **Funding for deferred maintenance.** The future of BIA's irrigation program also depended on the resolution of how the deferred maintenance will be funded. BIA did not have a plan for how it would obtain funding to fix the deferred maintenance items. Regardless of the precise cost estimate for total deferred maintenance, we concluded that funding deferred maintenance costs in the hundreds of millions of dollars will be a significant challenge in times of tight budgets and competing priorities.
- **Alternative project managers.** Given that BIA must balance irrigation management with its many other missions in support of Indian communities, such as providing education and law enforcement, we reported that there were inherent limits on the resources and knowledge that BIA was able to devote to any one

---

program. As a result of these limitations and competing demands, officials told us at the time of our report that irrigation management is not a priority for BIA. In our February 2006 report, we found that it may be beneficial to consider whether others for whom irrigation is more of a priority or an area of expertise, including other federal agencies, Indian tribes, and water users, could better manage some of the projects. We concluded that successful management of the projects by others, however, would depend on the characteristics of each project and its stakeholders. For example, turning over projects to tribes may be an option for projects where most of the water users are Indian, whereas turning over projects to water users may be an option for projects where water users share similar interests and have a desire to organize into an irrigation district or association.

To obtain information on the long-term financial sustainability of each of the projects, we recommended in our February 2006 report that BIA conduct studies to determine both how much it would cost to financially sustain each project, and the extent to which water users on each project have the ability to pay these costs.<sup>11</sup> We stated that this information would be useful to congressional decision makers and other interested parties in debating the long-term direction of BIA's irrigation program. However, to date, BIA has not implemented this recommendation. In June 2008, the Department of the Interior provided us with a memorandum that stated, while the department agreed that studies to assess the financial sustainability of the irrigation projects would be valuable, it did not have sufficient funding to perform these studies—and does not expect to have such funding in the foreseeable future.

---

In conclusion, BIA irrigation projects continue to face hundreds of millions of dollars of deferred maintenance needs. The Senate bill, S. 438, if enacted, could help address these needs and potentially some of the other larger issues that we reported on in our February 2006 report. By establishing an Indian Irrigation Fund for fiscal years 2015 through 2036, this bill, if enacted, would help provide needed resources to carry out maintenance, repair, and replacement activities for certain Indian irrigation projects and funds to conduct a study of BIA's Indian irrigation program and project management.

---

<sup>11</sup>[GAO-06-314](#).



---

Chairman Barrasso, Vice Chairman Tester, and Members of the Committee, this completes my prepared statement. I would be pleased to answer any questions that you may have at this time.

---

## GAO Contact and Staff Acknowledgments

If you or your staff members have any questions about this testimony, please contact me at (202) 512-3841 or [fennella@gao.gov](mailto:fennella@gao.gov). Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this statement. Other individuals who made key contributions to this testimony include Jeff Malcolm (Assistant Director), Jeanette Soares, and Tama Weinberg.

---

---

This is a work of the U.S. government and is not subject to copyright protection in the United States. The published product may be reproduced and distributed in its entirety without further permission from GAO. However, because this work may contain copyrighted images or other material, permission from the copyright holder may be necessary if you wish to reproduce this material separately.

---

---

## GAO's Mission

The Government Accountability Office, the audit, evaluation, and investigative arm of Congress, exists to support Congress in meeting its constitutional responsibilities and to help improve the performance and accountability of the federal government for the American people. GAO examines the use of public funds; evaluates federal programs and policies; and provides analyses, recommendations, and other assistance to help Congress make informed oversight, policy, and funding decisions. GAO's commitment to good government is reflected in its core values of accountability, integrity, and reliability.

---

## Obtaining Copies of GAO Reports and Testimony

The fastest and easiest way to obtain copies of GAO documents at no cost is through GAO's website (<http://www.gao.gov>). Each weekday afternoon, GAO posts on its website newly released reports, testimony, and correspondence. To have GAO e-mail you a list of newly posted products, go to <http://www.gao.gov> and select "E-mail Updates."

---

## Order by Phone

The price of each GAO publication reflects GAO's actual cost of production and distribution and depends on the number of pages in the publication and whether the publication is printed in color or black and white. Pricing and ordering information is posted on GAO's website, <http://www.gao.gov/ordering.htm>.

Place orders by calling (202) 512-6000, toll free (866) 801-7077, or TDD (202) 512-2537.

Orders may be paid for using American Express, Discover Card, MasterCard, Visa, check, or money order. Call for additional information.

---

## Connect with GAO

Connect with GAO on [Facebook](#), [Flickr](#), [Twitter](#), and [YouTube](#). Subscribe to our [RSS Feeds](#) or [E-mail Updates](#). Listen to our [Podcasts](#). Visit GAO on the web at [www.gao.gov](http://www.gao.gov).

---

## To Report Fraud, Waste, and Abuse in Federal Programs

Contact:

Website: <http://www.gao.gov/fraudnet/fraudnet.htm>

E-mail: [fraudnet@gao.gov](mailto:fraudnet@gao.gov)

Automated answering system: (800) 424-5454 or (202) 512-7470

---

## Congressional Relations

Katherine Siggerud, Managing Director, [siggerudk@gao.gov](mailto:siggerudk@gao.gov), (202) 512-4400, U.S. Government Accountability Office, 441 G Street NW, Room 7125, Washington, DC 20548

---

## Public Affairs

Chuck Young, Managing Director, [youngc1@gao.gov](mailto:youngc1@gao.gov), (202) 512-4800 U.S. Government Accountability Office, 441 G Street NW, Room 7149 Washington, DC 20548

