

**Supporting Statement for
Paperwork Reduction Act Information Collection Submissions
OMB No. 1094-ONEW
“Indian Water Rights Settlement: Economic Analysis”**

Terms of Clearance: None

General Instructions

A completed Supporting Statement A must accompany each request for approval of a collection of information. The Supporting Statement must be prepared in the format described below, and must contain the information specified below. If an item is not applicable, provide a brief explanation. When the question “Does this ICR contain surveys, censuses, or employ statistical methods?” is checked "Yes," then a Supporting Statement B must be completed. OMB reserves the right to require the submission of additional information with respect to any request for approval.

Specific Instructions

A. Justification

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection.

The U.S. Department of Interior (DOI) Secretary's Indian Water Rights Office (SIWRO) is tasked with overseeing and coordinating the Federal Government's Indian water rights settlement program (109 Departmental Manual 1.3.E(2)). The Office is undertaking a study on the economic outcomes associated with Indian water rights settlements (IWRS). The purpose of the study is to identify and track social, environmental, and economic changes that occur as a result of the implementation of enacted settlements. Indian reserved water rights are vested property rights for which the United States has a trust responsibility, with the United States holding legal title to such water in trust for the benefit of Indian tribes. Federal policy supports the resolution of disputes regarding Indian water rights through negotiated settlements. Settlement of Indian water rights disputes breaks down barriers and helps create conditions that improve water resources management by providing certainty as to the rights of all water users who are parties to the disputes. At a time of increasing competition for Federal funds, it is important to quantify and describe the economic impacts and net benefits of the implementation of enacted IWRS.

SIWRO will conduct five deterministic case studies on the economic outcomes associated with individual Indian water rights settlements. The data collected for these case studies will inform our understanding of settlement components, as well as the timing and detail of the final action. (e.g., was the infrastructure included in the agreement put in place; is the infrastructure functioning as expected; if water leasing is allowed for under the agreement is such leasing taking place, and with whom; what are the perceived benefits to the tribal nations, local communities and other parties to the

settlement; to what extent have economic and social benefits been realized from any infrastructure or other arrangements or agreements implemented pursuant to the settlement; are the benefits of the actions taken under the settlement expected to continue in the future; have there been any unintended consequences of the actions taken under the settlement). Understanding settlement outcomes will require targeted interviews with informed entities representative of the tribal communities and other stakeholders. These interviews will focus on the physical, demographic, and socioeconomic changes that each settlement has produced. Based on the findings of the aforementioned targeted interviews as well as data collection efforts (such as information collection from Federal agencies, review of peer-reviewed and gray literature publications, and review of other publicly available information) outside the scope of the Paperwork Reduction Act, SIWRO will analyze the net socioeconomic benefits of each settlement. This will be done using a range of specific metrics related to Federal trust responsibility, community health, economic conditions, social and cultural well-being, and the state of ecosystem services, both on and off of the reservation.

If commenters would like specific questions asked during the targeted interviews, SIWRO encourages that those questions be submitted as comments on this ICR.

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection. Be specific. If this collection is a form or a questionnaire, every question needs to be justified.

The settlements proposed for case studies in this project are Gila River (Arizona), Nez Perce (Idaho), Fallon (Nevada), Pyramid Lake (Nevada), and Soboba (California). Data requirements will differ for each case study. Data inquiries will be based on expectations of changes resulting from each settlement, and will be specific to the nature and timing of each settlement. This section includes descriptions of the general objectives associated with each research topic, which will be included in each of the five case studies as needed depending on the attributes of each settlement. The information will be used to inform SIWRO's understanding of how settlements impact social, environmental and economic conditions. The results of this data collection effort will therefore be directly incorporated into SIWRO's analysis of social, environmental and economic benefits associated with IWRS.

- **Water use.** Data on water availability for domestic, irrigation, and industrial/commercial or other purposes prior to and after settlement enactment. This will provide a quantitative measure of how the settlement affected access to water for beneficial consumptive use.
- **Economic net benefit: local and regional.** Data on changes in annual household water costs, net household revenues, recreation values (consumer surplus values), and the value of ecological restoration achieved through settlement. These data can provide a net measure of economic benefit (in dollar values) from IWRS to on- and off-reservation areas, and the distribution of gains to on- and off-reservation populations.
- **Social well-being.** Data on poverty levels, incomes, labor statistics, crime rates, and education levels prior to and after settlement enactment. Data informative of

environmental justice and equity enhancement on the reservations. These data provide indicators of the effectiveness of settlement at affecting conditions that influence social well-being.

- **Cultural well-being.** Data on the total tribal population living on-reservation, tribal cultural events on- and off-reservation, participation in activities on- and off-reservation, political participation on- and off-reservation, and total or proportion of native language speakers prior to and after settlement enactment. These measures will be used to reflect the strength of overall cultural identity and tribal social capital.
- **Ecosystem services.** Data on changes in instream flow volumes, hunting and fishing participation, (fishing) catch data, and total and types of habitat area restored after settlement enactment. These data reflect quantitative biophysical and social indicators of the change in habitat-related services provided as a result of IWRS.
- **Health.** Data on changes in access to reliable water that meets health standards after settlement enactment will show how IWRS have contributed to access to clean water.
- **Trust Responsibility.** Data on the extent the settlement represents fulfillment of Federal trust responsibility to the tribe.

Until the results of the study are known, it will be difficult to state with any certainty how the results will be used. It is, however, highly unlikely the results will be used in any rule or guidance. The “Criteria and Procedures for the Participation of the Federal Government in Negotiations for the Settlement of Indian Water Rights Claims,” 55 Federal Register 9223 (March 12, 1990) (“Criteria & Procedures”) guide the Federal Government’s participation in Indian water rights settlement negotiations and have been in place for nearly 30 years, and are likely to remain in place for the foreseeable future.

Thirty-six Indian water settlements have been completed since 1978. There are 566 federally recognized Indian tribes. Of these, perhaps two dozen would be expected to seek settlement of their reserved water rights before 2040. Study results could be used to inform decision-making on specific future settlements. The study is structured to capture the broad range of geographic, hydrologic, and socioeconomic considerations that inform negotiations. For instance, the study will assess whether benefits are derived from cooperation over water management among Indian and non-Indian communities in water short regions. Study results on this question could be useful in considering how to structure future settlements where water scarcity is a problem.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden and specifically how this collection meets GPEA requirements.

SIWRO will communicate with interviewees by telephone, email, and in-person interviews in order to obtain the data required for each case study. SIWRO will provide the opportunity for entities to provide data electronically, and will explicitly state that electronic information submissions are preferable to hard copy records. Data collected through in-person interviews will be recorded by SIWRO for use in the study. This

approach will allow individuals or entities the option to submit information and transact with the agency electronically, and to maintain records electronically.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

At this time, SIWRO is not aware of any other information collection efforts that would enable the quantification of social, economic, and environmental impacts of IWRS at the proposed study's level of detail or scope. This information is not available from any other source, nor is there any other Federal government agency currently collecting similar information.

5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.

Requests to collect information from small businesses or other small entities will be limited. For example, community organizations and regional business associations may be contacted for information during the study; the estimated burden for these entities is approximately two hours per entity, with a total of 15 entities across all of the case studies. As participation is totally voluntary, any individual or small business can eliminate the burden by refusing to provide the information or portions of the information. Efforts to reduce the burden include ensuring that only information required to estimate impacts resulting specifically from IWRS is collected.

6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

Settlement of Indian water rights disputes breaks down barriers and helps create conditions that improve water resources management by providing certainty as to the rights of all water users who are parties to the disputes. At a time of increasing competition for Federal funds, it is important to quantify and describe the economic impacts and net benefits of the implementation of enacted Indian water rights settlements. Data collection from non-government entities will enable the completion of this study. If the collection activity is not performed, there will be little economic data available for SIWRO to use to describe the social, environmental, and economic outcomes of IWRS in a comprehensive manner, as Federal agency data are insufficient to characterize the local and regional impacts of IWRS beyond a certain degree.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:
 - * requiring respondents to report information to the agency more often than quarterly;
 - * requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;
 - * requiring respondents to submit more than an original and two copies of any document;
 - * requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three years;

- * in connection with a statistical survey that is not designed to produce valid and reliable results that can be generalized to the universe of study;
- * requiring the use of a statistical data classification that has not been reviewed and approved by OMB;
- * that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or
- * requiring respondents to submit proprietary trade secrets, or other confidential information, unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.

None of the above circumstances apply.

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and in response to the PRA statement associated with the collection over the past three years, and describe actions taken by the agency in response to these comments. Specifically, address comments received on cost and hour burden.

Notice was given in the Federal Register on October 17, 2016 (81 FR 71528). Four entities requested additional information. No public comments were received.

Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every three years — even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

Three entities representative of planned respondent groups were contacted prior to completing this ICR (Water Resources Advisor, City of Mesa Water Resources Department, City of Mesa, PO Box 1466, Mesa, AZ 85211; Water Resources Engineer, City of Scottsdale Engineering Department, 9312 N. 94th Street, Scottsdale, AZ 85258; Water Resources Manager, City of Chandler Municipal Utilities Department, 975 E. Armstrong Way, Building L, Chandler, AZ 85244). The estimates of data availability and consequent response time were formulated based on these consultations (hour burden of collection of information, see question 12). The data requested will differ for each case study, as the data needs are specific to the attributes of each IWRS, but the general types of data to be requested commonly exist and are available. This is the first instance of this study, and will take approximately one year to complete; therefore, consultation with these representatives in 2016 meets the standard that information collection will occur within three years of the consultation.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

A stipend of \$2,000 will be offered to each Tribe to defray administrative costs incurred as a result of participation in the study. No payments or gifts are, or will be, provided to respondents.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

SIWRO provides a letter of introduction to the tribes, explaining the purpose and use of the voluntary data collection effort, and the types of data that will be requested. This letter provides an introduction of the purpose and scope of the project. When coordinating data collection with the tribes, SIWRO will state that statistical and other information that has a clear connection to changes resulting from the settlement will be requested from the tribe to inform the analysis, and SIWRO will indicate that participation is entirely voluntary. SIWRO will also state that no Personally Identifiable Information will be gathered as part of the data collection effort.

SIWRO will specify in initial communications with non-tribal entities that data collection efforts are voluntary and that no Personally Identifiable Information will be gathered.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

No sensitive or private information will be requested.

12. Provide estimates of the hour burden of the collection of information. The statement should:

- * Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.
- * If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens.

SIWRO estimates the number of respondents across five case studies is 60 (or 12 per case study), with a response frequency of 1, for a total of 60 estimated responses. The annual reporting per response time is based on consultation with three tribal and non-tribal potential respondents. One of these respondents had ready access to the data requested, and suggested the response would require approximately 10 minutes. Each of the other

two respondents indicated that organizing and transferring the data would require three hours. These three responses were assumed to be a representative mix, such that the average response time for a non-tribal respondent was estimated at 2.05 hours. The average time per non-tribal respondent is 2.05 hours. SIWRO anticipates average tribal response time will be five times greater than the average non-tribal response time due to higher informational needs from the tribes. Per Table 2, the total annual burden to respond to this effort is 164 hours for five case studies.

- * Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here.

Annual average cost to all (aggregate) respondents during the one-year study, at the current mean hourly wage for each respondent type (see Tables 1 and 2) per Bureau of Labor Statistics, <http://www.bls.gov/news.release/ocwage.t01.htm>, including benefits is \$3,948, calculated by including a multiplier for benefits of 1.314 to the hourly wage result. The multiplier is based on the National Compensation Survey: Occupational Wages in the United States published by the Bureau of Labor Statistics Occupation and Wages, for civilian workers (see: BLS news release USDL-16-1808 for Employer Costs for Employee Compensation - Table 1 — September 2016 at - <http://www.bls.gov/news.release/pdf/ecec.pdf> - released December 8, 2016).

Table 1: Mean hourly wage by occupation

OCCUPATION CATEGORY	MEAN HOURLY WAGE (2016\$)^{1,2}	APPLICABLE RESPONDENT TYPE(S)
Information and record clerks	\$16.33	Tribe, Other parties to settlements, Municipal agencies, State agencies
Community and social service occupations	\$22.42	Community organizations
Business operations specialists	\$34.46	Regional business associations
<p><u>Source</u></p> <p>1. Bureau of Labor Statistics. 2015. National employment and wage data from the Occupational Employment Statistics survey by occupation, May 2015. Retrieved November 16, 2016: http://www.bls.gov/news.release/ocwage.t01.htm</p> <p>2. 2015 mean hourly wages converted to 2016\$ using Bureau of Economic Analysis implicit price deflators for gross domestic product.</p>		

Table 2: Mean estimated cost of response to complete five case studies, by respondent type (2016\$)

RESPONDENT TYPE	NUMBER OF RESPONDENTS	TIME PER RESPONSE (HOURS)	TOTAL HOURS (ROUNDED)	HOURLY WAGE PLUS BENEFITS	COST OF RESPONSE: HOURLY WAGE PLUS BENEFITS (ROUNDED)
A	B	C	D	E	F = D x E
Tribe	5	10.25	51	\$21.46	\$1,095
Other parties to settlements	20	2.05	41	\$21.46	\$880
Municipal agencies	10	2.05	21	\$21.46	\$451
State agencies	10	2.05	21	\$21.46	\$451
Community organizations	10	2.05	21	\$29.46	\$619
Regional business associations	5	2.05	10	\$45.28	\$453
TOTAL¹	60	N/A	164	N/A	\$3,948
Notes					
1. Totals may not sum due to rounding.					

13. Provide an estimate of the total annual non-hour cost burden to respondents or record keepers resulting from the collection of information. (Do not include the cost of any hour burden already reflected in item 12.)

* The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life) and (b) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information (including filing fees paid for form processing). Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.

The total annual cost burden of the data collection will require no capital, start-up, or operations and maintenance costs to respondents. The data are already known and/or documented by respondents – either records kept by entities in their normal course of business, or personal knowledge of the respondent. The data will be collected on a strictly voluntary basis and no respondents or record-keepers will be required to keep records not already kept as part of their normal business practices. Therefore, respondents’ operation and maintenance costs are not affected by this data collection effort.

- * If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.
- * Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.

There are no costs to respondents or record-keepers for contracting-out information collection services. The data are already known and/or documented by respondents, either records kept by entities in their normal course of business or personal knowledge of the respondent. The data are collected on a strictly voluntary basis and no respondents or record-keepers will be required to keep records not already kept as part of their normal business practices.

14. Provide estimates of annualized cost to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information.

The annual cost to SIWRO of collecting the information required for this analysis during the one-year study is based on the successful competitive bid by a contractor to provide such services. The contract is unique and has been bid one time. The annual contractual cost to the Government is approximately \$45,000.

15. Explain the reasons for any program changes or adjustments in hour or cost burden.

This is the first time the effort has been undertaken, therefore, no changes or adjustments were made to existing programs.

16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

In September of 2016 through February of 2017, initial communication with less than ten entities will proceed in order to coordinate the in-person information collection. In-person interviews will commence once OMB approval is obtained for the information collection effort, likely in early 2017. The remaining tribes and non-tribal entities will then be contacted and interviewed over the following two to four months (estimated as March through May or June 2017). Data collection will be completed by June 2017. The data collected will inform the analysis in a contractor report to SIWRO that is scheduled

for completion in late summer 2017. For each individual IWRS case study, the data will be analyzed separately to determine the social, environmental and economic impacts of IWRS over time. The report will present selected data collected from the interviewees. Qualitative and quantitative information will be summarized using standard measures accepted within each focus area examined: water use, local and regional economic net benefits, social well-being, cultural well-being, ecosystem services, and health. These data will also be used as inputs into well-established analytical approaches to understand the economic implications of settlement outcomes in each case study. No complex analytical or statistical techniques will be used to interpret or summarize the information. The report will not draw conclusions across the five IWRS case studies using statistical methods, but will provide insights into the benefits achieved through individual IWRS. SIWRO will have the option to finalize and publish the report.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

SIWRO does not seek to not display the expiration date for OMB approval of the information collection. The collection authorization number, the date of authorization, and the collection expiration date will be displayed in communications with interviewees.

18. Explain each exception to the topics of the certification statement identified in "Certification for Paperwork Reduction Act Submissions."

The study does not employ a statistical survey methodology. This effort takes a case study approach and does not attempt to draw conclusions across the five case studies. The five case studies are selected to be as representative as possible of the full set of IWRS to date. They vary in size and date of settlement, geographic location in the U.S., and primary categories of benefit (e.g., ecosystem improvements vs. irrigation expansion). Within each case study, respondents are selected based on the attributes of the individual IWRS and are intended to reflect the entities with information pertinent to an economic analysis of the IWRS outcomes. The respondents selected are therefore specific to each case study. The report will include a description of the entities contacted and respondents that provided information that informs the analysis. The approach employs an opportunistic information collection, and this will inform readers' understanding of the entities that SIWRO attempted to include in the analysis, as well as those that provided information to inform the analysis and results.