

Regional Oral History Office  
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California Water Resources Oral History Series

Daniel P. Beard

PASSAGE OF THE CENTRAL VALLEY PROJECT IMPROVEMENT ACT, 1991-1992:  
THE ROLE OF GEORGE MILLER

Interview Conducted by  
Malca Chall  
in 1995

Since 1954 the Regional Oral History Office has been interviewing leading participants in or well-placed witnesses to major events in the development of Northern California, the West, and the Nation. Oral history is a method of collecting historical information through tape-recorded interviews between a narrator with firsthand knowledge of historically significant events and a well-informed interviewer, with the goal of preserving substantive additions to the historical record. The tape recording is transcribed, lightly edited for continuity and clarity, and reviewed by the interviewee. The corrected manuscript is indexed, bound with photographs and illustrative materials, and placed in The Bancroft Library at the University of California, Berkeley, and in other research collections for scholarly use. Because it is primary material, oral history is not intended to present the final, verified, or complete narrative of events. It is a spoken account, offered by the interviewee in response to questioning, and as such it is reflective, partisan, deeply involved, and irreplaceable.

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Early interest in natural resource policy issues; association with Congressman George Miller, 1985-1993: Miller's position on Central Valley Project reform legislation, staff activities toward passage of the CVPIA and the Omnibus Water Act; agricultural interests and congressmen from the Central Valley; water marketing; Miller-Bradley bills and opposing Seymour bill; discusses Senator John Seymour, Senator Bill Bradley, President Jimmy Carter; Somach-Graff negotiations; Bureau of Reclamation commissioner, 1993-1995, restructuring the bureau.

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## PREFACE

The Water Resources Center of the University of California, in 1965, established a History of California Water Resources Development Oral History Series, to be carried out by the oral history offices at the Los Angeles and Berkeley campuses. The basic purpose of the program was "to document historical developments in California's water resources by means of tape recorded interviews with men who have played a prominent role in this field." The concern of those who drafted the program was that while the published material on California water resources described engineering and economic aspects of specific water projects, little dealt with concepts, evolution of plans, and relationships between and among the various interested federal, state, and local agencies.

To bridge this information gap, the Water Resources Center, during the past quarter century under the successive direction of Professors Arthur F. Pillsbury, J. Herbert Snyder, and Henry Vaux, Jr., has provided funding in full or in part for interviews with men who have been observers and participants in significant aspects of water resources development. Early advisors to the project on the Berkeley campus were Professors J. W. Johnson and David K. Todd. Gerald Giefer, librarian of the Water Resources Center Archives, Berkeley, has maintained an important advisory role in the project.

Interviewees in the Berkeley series have been pioneers in western water irrigation, in the planning and development of the Central Valley and California State Water Projects, in the administration of the Department of Water Resources, and in the pioneering work of the field of sanitary engineering. Some have been active in the formation of the San Francisco Bay Conservation and Development Commission; others have developed seminal theories on soil erosion and soil science. But in all cases, these men have been deeply concerned with water resources in California.

Their oral histories provide unique background into the history of water resources development and are valuable assets to students interested in understanding the past and in developing theories for future use of this essential, controversial, and threatened commodity--water.

Henry J. Vaux, Jr., Director  
Water Resources Center

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- Lowdermilk, Walter Clay (1888-1974)  
Soil, Forest, and Water Conservation and Reclamation in China, Israel, Africa, and The United States. 1969, 704 pp. (Two volumes)

McGaughey, Percy H. (1904-1975)

The Sanitary Engineering Research Laboratory: Administration, Research, and Consultation, 1950-1972. 1974, 259 pp.

Nelson, Barry (b. 1959)

The Passage of the Central Valley Project Improvement Act, 1991-1992: Executive Director, Save San Francisco Bay Association. 1994, 88 pp.

Peltier, Jason (b. 1955)

The Passage of the Central Valley Project Improvement Act, 1991-1992: Manager, Central Valley Project Water Association. 1994, 84 pp.

Robie, Ronald B. (b. 1937)

The California State Department of Water Resources, 1975-1983. 1989, 97 pp.

The San Francisco Bay Conservation and Development Commission, 1964-1973.

Interviews with Joseph E. Bodovitz, Melvin Lane, and E. Clement Shute. 1986, 98 pp.

For other California water-related interviews see California Water Resources list.

## INTERVIEW HISTORY

Daniel Beard served as staff director for Congressman George Miller for eight years, 1985-1993. During those years, George Miller chaired the subcommittee on Water and Power of the House Interior and Insular Affairs Committee, and then the full committee--now known as the Committee on Natural Resources.

Dan Beard fit well into Miller's staff, having specialized in natural resource issues both in college and his later working career. He became deeply involved in Miller's long-held interests related to the San Francisco-San Joaquin Delta and the Central Valley Project: opposition to the Peripheral Canal, fish and wildlife restoration, drainage, contracts, and subsidies. According to Beard, Miller's stand on these issues, while they may have endeared him to constituents along the Delta, aroused the enduring hostility of the Central Valley agricultural community. Thus, George Miller's long-time efforts to reform the Central Valley Project usually were unsuccessful because Central Valley congressmen opposed him, western Senators sided with their powerful California allies, and other Senators showed no interest in the subject.

In this fourth volume on the passage of the Central Valley Project Improvement Act, Daniel Beard highlights the significant role of Congressman George Miller in the two-year struggle to reform the Central Valley Project. In 1991 Miller and Senator Bill Bradley (D-New Jersey) each introduced Central Valley reform bills aimed at restoring fish and wildlife, and providing water to achieve these aims. Although significantly differing in details, gradually some of the substantive features merged enough so that in the supporting environmental community they became known as the Miller-Bradley bills. The agriculture community supported Senator John Seymour's (R-California) reform effort.

Two years of hard work ensued on both sides of the aisle, within the halls of Congress, among lobbyists, environmentalists, and growers. In his oral history Daniel Beard directs attention to Miller's personality, his abilities as a congressman, his long-held commitment toward Central Valley Project reform, and his antagonistic relationships with valley farmers. He explains Miller's decision to attach his reform agenda to an omnibus water bill providing projects long desired by twelve powerful western Senators, which, in the end, prompted them to abandon Senator Seymour and their California agricultural allies, and assure President Bush's signature. Beard's examination of the hard work and the bit of luck that went into the final almost undreamed of success of the passage of the CVPIA offers the reader one more link in the story of the passage of the Central Valley Project Improvement Act.

This important three-hour interview on the passage of the CVPIA took place around the dining room table in my home on the afternoon of August 30, 1995. In mid-June I had read in the local paper that Dan Beard planned to resign his position as commissioner of the Bureau of Reclamation. Soon thereafter, I invited him to participate in the ongoing oral history series on the CVPIA, even suggesting that I would be willing to meet him in Washington if that were necessary. A few days before his planned arrival in California on a final tour as commissioner, he called to say that he would be available for an interview. We hastily arranged a time and place.

Until his arrival for the interview, Mr. Beard was not aware of the scope of the CVPIA project, and since some time had passed, he felt unprepared to discuss details of the CVPIA. He obviously recalled more than he thought he would. As this interview makes clear, he was prepared to provide the background on George Miller, the Miller bills, the negotiations between Miller and Bradley, the conference committee, and the final results--information which only someone at the center of the action could provide.

We are grateful to Dan Beard for taking time from his full schedule to discuss his role in the passage of the CVPIA, and additional time to review and emend the transcript. This he did in record time, making only minor revisions to spelling and to clarify some sentences. The interview touches briefly on his two and one-half years as commissioner of the Bureau of Reclamation.

Again we thank the Centers for Water and Wildland Resources and its director Don Erman for making possible this interview and the series on the Central Valley Project Improvement Act.

Malca Chall  
Interviewer/Editor

September, 1996  
Regional Oral History Office  
The Bancroft Library  
University of California, Berkeley

I RESUMÉ OF CAREER ROUTE FROM COLLEGE GRADUATION TO THE BUREAU OF RECLAMATION, 1965 TO 1995

[Interview: August 30, 1995]##<sup>1</sup>

Chall: Before we get started on the CVPIA, I wanted to find out what was the route by which you got into government service. I notice that you have had twenty-two years of government service, and I don't know how many years of that have been with George Miller.

Beard: Well, I was a graduate student at the University of Washington. My background is that I was born and raised--maybe I should start with who I am?

Chall: Yes.

Beard: My name is Daniel Perry Beard, and I am presently the commissioner of the Bureau of Reclamation. I was born and raised in Bellingham, Washington, and I graduated from Western Washington University and went to work for the city of Seattle. I didn't enjoy it at all, and went back to graduate school at the University of Washington in 1966. I received my M.A. degree from the Department of Geography there [1969]. I was interested in natural resource conservation issues, and there were a number of professors there who had done a lot of work on water resource matters over the years, particularly the Columbia and Snake Rivers. It had always been a major topic of discussion.

I then entered the Ph.D. program, again in the geography department, finished all of my course work, took my preliminary examinations. Then my advisor didn't receive tenure, so he left and went to the University of California at Santa Cruz. His name was Richard A. Cooley. So I was kind of left like a floundering

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<sup>1</sup>This symbol (##) indicates that a tape or a segment of a tape has begun or ended. A guide to the tapes follows the transcript.

fish, and decided at that point that I was really interested in natural resource policy issues, and I wanted to learn how public policy decisions were made.

### Developing Interest and Work in Natural Resource Policy Issues

Beard: I had taken a seminar on natural resource policy issues, and a man by the name of Bill Van Ness, who was the general counsel for the Senate Interior and Insular Affairs Committee and worked for Senator Henry Jackson, came and spoke. One of Bill's accomplishments was that he was the person on the committee who wrote the National Environmental Policy Act, among other pieces of legislation. I was really quite fascinated and taken with federal legislative process, so I thought that would be a good thing to do.

In the summer of 1970, I literally wrote letters to everyone I could think of, including John Erlichman, who at the time was in the White House. Fortunately, he didn't respond, but a man by the name of Wally Bowman, who was at the Natural Resources Division of the Legislative Reference Service at the Library of Congress, was a very good friend of my advisor Dick Cooley, and he called, did a phone interview, and hired me on the phone.

So my wife and I packed our belongings and moved to Washington, D.C. in September of 1970, and I went to work for the Legislative Reference Service, which in about a month's time had its name changed to the Congressional Research Service. I worked for the Environmental Policy Division. I worked on natural resource policy issues of all kinds, doing research work for congressmen and senators.

About halfway through my term of service there, sometime in 1971, I decided that I really wanted to be a lawyer. I was going to go to law school at night, to which my wife responded, "I've already been through three years of graduate school, and we (you know, the proverbial we) are not going to law school!" So I started working on my Ph.D., and finished eventually.

I left the Library and went to Dartmouth in September of 1972 to teach in the geography department and environmental studies program. While I was there, I finished my dissertation at the University of Washington, took my exams, and got my degree in the spring of 1973. But while I was at Dartmouth, I really decided about halfway through the year that this was the stupidest thing I had ever done, and that I hated it. I didn't like the college, I didn't like the students, I didn't like the faculty--

Chall: You didn't like teaching?

Beard: I liked the teaching, but I felt really very out of touch. It's a really insular world. It just wasn't for me. And so I called my former boss at the Library of Congress and I got my old job back. So in June of 1973, I went back to the Library of Congress.

Various Positions In and Out of the Federal Government, 1974-1985

Beard: I stayed there until after the 1974 elections, and after that election, a congressman by the name of Sidney R. Yates became the chairman of the House Interior Appropriations Subcommittee, and he hired me to go to work for him in January of 1975. I worked there for two years as a special assistant to him. And then some friends of mine were working on President Carter's transition. I went down and volunteered and did work there, and eventually was hired to work in the Carter White House. I was a domestic policy assistant to the president, and worked for Stuart Eisenstat. I worked again on natural resource issues.

I was there about four or five months, and it was extremely hard on my family, just very hard on my family, so I left and got an appointment as deputy assistant secretary for land and water resources in the Department of the Interior. I served there with Secretary [Cecil] Andrus, until the election of 1980.

In January of 1981, I, along with a lot of other people, lost my job in the Reagan sweep. I then did some fundraising work for the George Washington University. I left GW and became executive director of the Renewable Natural Resources Foundation.

Then I was self-employed as a lobbyist for about a year, and then in 1982, I became the administrative assistant, which is the chief of staff, for Senator Max Baucus from Montana. I was there about two years, and then again became a lobbyist. I worked for a lobbying firm, Chambers and Associates, in Washington for about a year.

In June of 1984, in the Texas primary, a man by the name of Abraham Kazen, who was a congressman from Texas, and had been chairman of the Water and Power Subcommittee of the House Interior Committee, lost in the primary. That meant that George Miller from California was the next person in line, and he was a friend of mine. I had met George and his administrative assistant, John Lawrence, when I had worked in the Carter White House with Secretary Andrus.

Long-time Association with Congressman George Miller, 1985-1993

Beard: They called me up and said that George might become the chairman of the Water and Power Subcommittee, and would I like to go to work for him, and I decided that I would. So in February of 1985, I became the staff director for the Subcommittee for Water and Power of the House Interior and Insular Affairs Committee. I served in that capacity for six years. We changed the name of the subcommittee two years later. With Chairman Morris Udall's resignation in 1990, George became the chairman of the full committee, and I was named staff director. The name of the committee was changed in 1992 to the House Natural Resources Committee.

I worked for George as the staff director for the subcommittee and then ultimately as staff director for the full committee from February of 1985 until April of 1993, when I resigned and was appointed commissioner of the Bureau of Reclamation, which is the job that I currently hold--so there it is.

## II GEORGE MILLER: HIS DRIVING INTEREST IN WATER POLICY ISSUES

Chall: That's good, so we have your background now. Was Miller's staff divided according to subject matter so that you were director for water and power? Or was that all water and power for that subcommittee?

Beard: Yes, at the time that I was appointed, George really had three overriding interests. He was interested in children, and at the time became the chairman of the Select Committee on Children, Youth and Families. He was very interested in children's issues. He was also doing a lot of work on El Salvador at the time.

### The San Francisco-San Joaquin Delta and Reclamation Reform

Beard: But the one issue that he wanted to pay attention to more than any other was water resources. And the reason is in his district, Contra Costa County, there is only one issue that unifies the county, and that is the issue of water quality. Most Contra Costans get their water from the Contra Costa Water District, and the quality of the water is not very good. The reason it is not very good is because salt water has intruded, and the reason salt water has intruded is because so much water is being pulled out of the Delta and shipped south for subsidized agriculture, for water development south of the Delta.

Most Contra Costans have figured out that there is a relationship between what they get out of the tap and what's going on in the valley. They're not sure what it is, but they know that it's bad, and it's bad for them and it's bad for fisheries and everything else. So he used to say to me, "I can be as crazy as I want to on all of these other issues, but as long as I pay attention and fight hard for Delta water quality, my constituents will reelect me, because it's the only--." I literally did see

people walk up to him and say, "You know something, Miller, you're crazy and you're a left-wing kook, but you know what? I like what you do on water, and I'm going to vote for you." He had that sentiment repeated to him a number of times.

So when I became the staff director of the subcommittee--we had only three people: myself, a man named Steve Lanich, and a woman by the name of Lori Sonken. George basically said to me, "Look, the thing I'm more interested in than anything else is I want to prevent the Peripheral Canal, and I want to continue to fight to make sure that drainage issues are solved in the Central Valley, and that we work diligently to try to eliminate federal subsidies from irrigated agriculture." Those were the issues, frankly, that got him elected and continued to get him elected.

George was the first chairman of that subcommittee who was what you would call an "anti-pork-barrel politician." He was not supportive of big water development, in fact he was opposed to most of it, and so he took over this subcommittee. It was sort of an unusual thing--"reformer comes to the field." So we started to do a number of things. We selected a water project in North Dakota called the Garrison Project, and worked hard on it to try to reformulate it so that it was more environmentally sensitive, took into account environmental factors and issues in a more sensitive manner. We tried to reduce the cost to the federal taxpayers, and make the project recipients pay more, and a number of other things in what you might call a reformist agenda.

We worked on that, as well as many other issues, for quite a few years, for the entire eight years that I was there.

Chall: Okay, well, we'll just go into some of those things. I know that he was very much concerned with reclamation reform, that is, the size of land subsidies in California, at least in the 160 and 960-acre limits. That seemed to be one of his major interests, was it not? And the Delta?

Beard: Yes.

#### Different Relationships with Constituents and Central Valley Farmers

Chall: In doing that, while he may have kept his good relationships with Contra Costa constituents, what was going on with the Central Valley growers who were not his constituents? Wasn't he making enemies of them?

Beard: Oh, they hated him. They still hate him, and they don't like me. Frankly, I worked for George, and I agreed with him. I was an adult, I took this job because I agreed with George and what he was trying to do. I was a very strong advocate, as was he, and George made a lot of political enemies as a result. People in the Central Valley absolutely cringe at the mention of his name; it makes their skin crawl, and it makes their skin crawl, I think, primarily, because George understands the system better than any congressman I've ever known. He really understands how the system works, and he knows, or did know, how to tweak the system, and to make things very uncomfortable for those who are benefitting from the system. And he was very opinionated, and didn't hesitate to speak out on issues and was not interested in their side of the issue.

Now, you've got to remember with George that you have to go back to the fundamental reason why he even paid attention to this issue, and the reason that he did is because he knew-- He was an elected representative from Contra Costa County, and he was there to represent the views of his constituents on an issue that 95 percent of his constituents agreed upon. The vote on the state initiative that was held in 1982 on whether to build a Peripheral Canal--95 percent of Contra Costans voted against it. Now, if you find an issue where 95 percent of your constituents are on one side, then you better be on that side or you won't be elected from that district, and George didn't hesitate on that issue. He fought passionately on that side--as a reformer in the water field.

Chall: Against the Peripheral Canal?

Beard: Against the Peripheral Canal, against irrigated agriculture, against the valley growers, against people that you would classify as "pork-barrel" politicians. He didn't care.

In the end, you see, the harder he fought and the more he made people mad, the better off he was, because his constituents were even more proud of him, because the more outrageous he got and the more frustrated people got at him and lashed out at him, the better he looked to his constituents. So it was sort of a self-fulfilling prophecy. George's basic nature is that he loves a good tussle, he loves a good fight. So that's what made it for him, at least, a crusade--which is really what we did for the eight years that I was there--a strong crusade and fight on water issues.

Chall: We'll take up some of that. Now, we'll get into his relationships with Tony Coelho and Vic Fazio and the others as we go along, though Coelho left in time. Were they difficult because they were valley representatives? I know what happened later on with Fazio, [Richard] Lehman, and the rest of them.

Beard: Well, George's relationship with Tony Coelho was a very interesting one. Tony and George really liked one another personally; they were very close. Tony was a politician that was consumed with ambition--he was going to succeed, and he was an extremely talented politician. He had a very strong desire to succeed, to move forward in leadership ranks. He really wanted to be Speaker of the House of Representatives. And he represented his constituents, and his constituents were opposed to everything that George was for in water resources and vice versa.

And surprisingly, people used to make a big deal of the fact that Tony and George used to argue publicly, but privately they were the closest of friends. I mean, they really liked each other very much, and respected each other as politicians and people who fought for what they believed in. But publicly, Tony had to oppose George, and he did on a regular basis, but George always supported Tony in his efforts to be appointed head of the campaign committee, and then majority whip, and other positions. So they had a very good relationship, frankly, and got along well, although on water they were just poles apart.

#### Staffs of Water and Power Subcommittees in the House and Senate

Chall: By the time we're getting into the 1990-1991 era for the CVPIA [Central Valley Project Improvement Act], was the staff bigger? I have the names of Charlene Dougherty, Steve Lanich, John Lawrence, and Dan Beard. Was that it?

Beard: Well, what happened in 1985, we had just the three of us. And then after the 1986 election--that would be 1987--we hired the three additional people for the subcommittee. One was the fellow by the name of Jeff Petrich, and Jeff worked on Alaska issues. The subcommittee was given jurisdiction over Alaska public lands issues. Sharon Kirby, was our clerk and secretary, and then the last person we hired was Charlene Dougherty. She had worked as a lobbyist for the Tennessee Valley Authority, she'd worked for the Department of Energy, and her assignment previous to coming to the subcommittee was with the National Audubon Society as one of their representatives on Capitol Hill.

I hired her to be a generalist, somebody who could work on a variety of issues and do some backstop work on water issues. Steve Lanich handled the major responsibility for water. I generally did water resource matters in California. Steve did the water resource stuff outside of California, and then Charlene helped out from time

to time because she was pretty knowledgeable about it. So that was sort of the staff complement on the House of Representatives side.

On the Senate side, between 1985 and 1986, it was under the control of the Republicans, and the staff director for the Subcommittee on Water and Power over there was a fellow by the name of Russell Brown. And then when they switched and the Democrats took over in 1987, Russ Brown also stayed, he stayed until 1988. After the 1988 election, when Senator Bradley became the chairman in 1989, he hired a fellow by the name of Tom Jensen.

President Jimmy Carter's Early Positions on Western Water and Agriculture

Chall: I want to go back just a moment. Jimmy Carter came in, in terms of western agriculture, saying, I guess, "No more building;" also, "No subsidies." He took a very strong, very immediate stand, didn't he, on water, and didn't get very far if any place. What happened?

Beard: Well, I think that President Carter was just about a decade ahead of his time. President Carter had a number of interesting characteristics, one of which was that he was absolutely one of the smartest people I've ever met. He was a voracious reader, a real intellect. When you talked to him, he didn't take any notes, he'd just listen, and it was obvious that he was consuming everything you said to him and internalizing it.

During the transition, a number of environmentalists became interested in the idea of sending to the president a series of water projects that the funding could be eliminated for. President Carter had been involved with the Richard Russell Dam [Corps of Army Engineers] in Georgia, on the Georgia-South Carolina line. He was really very interested in that controversy, so he took the Environmental Impact Statement and read it.

Well, it was one of those things where the recreation benefits required a boat every two feet filled with five fishermen fishing 366 days a year to get the kind of recreation benefits that they were proposing for this dam. Well, he read it and said that it was an outrage, that it couldn't possibly work and didn't make any sense. So that sort of shaped his-- The debate over the Richard Russell Dam shaped his personality or his approach towards water issues from the beginning.

When he came into office, there was a tradition in the Office of Management and Budget and the Council on Environmental Quality

for preparing each year a list of water projects which the staff felt that funding ought to be reduced for. They had done this in President Nixon's time, and President Nixon got it and said, "Gee, this is very interesting, thank you very much; now we'll not do anything with it." President Ford did the same thing. And so when that concept came forward to President Carter, he said, "I like this idea, let's do it."

Well, that sort of set everybody off, and there were big meetings in the White House in February of 1977. There was one sort of big meeting that had Secretary [Cecil] Andrus and Bert Lance from the Office of Management and Budget and all of these other people. Vice President [Walter] Mondale was there. The vote was twelve not to do it and one to do it, and it was President Carter who voted to go ahead. And what he did was he just sent a message to the Congress saying that in his budget, he was going to eliminate funding for a number of water projects.

Well, that just set off a huge explosion, and big meetings, and big controversy, and as President Carter later noted in his books, that he made a mistake, he didn't see it all the way through to the end and stick to his guns. He ultimately compromised. A couple of projects fell on the wayside, though most of them survived, though it took them a long time to get the funding back.

The president was right. We were investing large amounts of money in projects of very dubious merit. They were not returning sufficient revenues to the treasury and it was a complete waste of money. Now that's just one person's view, but that was certainly his view as well, but that didn't address the politics of the issue. It really clouded his relationship with the Congress, really injured his relationship with the Congress for the rest of his term. That was one of the key factors that lead the Congress to really begin to turn against President Carter. So water in that sense was very important.

Chall: I see. That's because of the solid water and agriculture united front all over the United States. That would include Georgia even, wouldn't it?

Beard: Yes, oh yes, clearly.

Chall: All right. Well, that was an important bit of history that we needed to uncover.

Beard: Well, it's interesting history to me, because I don't think anyone has ever written a history about the water project fights of the 1970s--President Carter and what it really meant and the

significance of it. It's sort of an unwritten chapter and it's good history, it's very interesting history.

Chall: It may have started some other thinking along the way.

III THE EMERGENCE OF THE CENTRAL VALLEY PROJECT IMPROVEMENT ACT AS  
A MAJOR ISSUE IN CONGRESS, 1990-1991

Chall: Now, getting into the Central Valley Project Improvement Act, Miller had a group of fish and wildlife protection act bills in 1989, 1990, and 1991, which I think the environmentalists generally call "fish bills." I guess everybody calls them fish bills. The general idea was to protect and enhance fish and wildlife. What concerns there were with contract renewals and conservation were fairly minimal I guess. At the same time, was it Miller's hope that he was not going to aggravate too much the agricultural interests?

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Chall: About at that same time, Senator Bradley was coming in with his own bills, which were different. They had more to do with water transfers, up-front water, and other things of this kind. What was the attitude, or the concern, of the Miller forces when Bradley moved into this field? Was this expected or accepted? Was it planned?

The Genesis of the CVPIA: The Need for Mitigation of Impacts on  
Fish and Wildlife in the Central Valley, 1988

Beard: Well, I think you are mixing too many things here. Let me go back because the one thing that's never really been written is the history of how the CVPIA really got started.

The CVPIA, from George's perspective, was an idea that got started in a shower, if you will. It was an idea that I had in a shower. George was great; you could come to him with an idea and say, "Here's this idea, what do you think?" And he'd say, "That's

a terrible idea," or, "It's a great idea, try to run with it." I think that it was--I'm going to get confused as to--.

Chall: The bills?

Beard: Well, the predecessor to the bill introduced in 1990. The first bill--I can't remember the number of the first bill that we introduced, and the date, but it was called the California Fish and Wildlife Protection Act of 1990. I've forgotten when we introduced it. I think it was in 1990, obviously.

[Chall searches in folder for the bill]

Chall: There was H.R. 4700. That was called the California Fish and Wildlife Protection Act of 1990.

Beard: Yes, that was it.

Chall: That was introduced on May 1, 1990.

Beard: In 1988, I became very interested in this idea. I was in the shower, and this idea kind of struck me. And the idea was the following: that whenever the federal government built a water project, one of the fundamental concepts that was embodied in the construction of the project was the concept of mitigation. In other words, if a water project had an impact on migratory water fowl, or fisheries, or some other fish and wildlife values, the water project was required to mitigate the impacts of the project on fish and wildlife. And that's the case in every single water project that I know of, except for the Central Valley Project.

The Central Valley Project was the only project that I knew of where there was never any effort made from the initial construction all the way up until 1954, when the first fish and wildlife restoration bill, a law, was passed, and it only dealt with one unit of the Central Valley Project. So the Central Valley Project as a whole, which is the largest water project in reclamation, never--there was no concept of mitigating the impacts of the project on fish and wildlife resources.

So this was 1988, and I was thinking that what we ought to do is to authorize the secretary to proceed to take actions to mitigate the impact of the Central Valley Project on fish and wildlife resources in the Central Valley. And, if not have the secretary of the interior do it, we could maybe create or require the formulation of a regional body like the Pacific Northwest Power Planning Council, which has done some work on fisheries restoration in the Columbia River. But have somebody responsible for

addressing the impact of the project on fisheries resources and then on migratory water fowl.

And that was the general concept, the justification being that every other project had to do this, why should the Central Valley Project not have to do it?

Drafting the California Fish and Wildlife Protection Act of 1990:  
A Difficult Task

Beard: So I went to George with this idea. This was 1988; I think it was in the fall of 1988. George said, "This is a great idea, and I think we ought to do something with it." So I turned to Charlene Dougherty and said, "We really ought to do something about this, and I want you to work on this." She decided that she would go to California and meet with representatives from the National Audubon Society, the Environmental Defense Fund, the NRDC [National Resources Defense Council], and some others, and see what kind of ideas they had about this project.

There was a meeting around Christmas of 1988, some time in December, in which Charlene laid out a general plan: we want to do a bill that tries to restore fish and wildlife values, we want to authorize some money for restoration, we want to see if we can get some water reserved, and some other general concepts. We didn't quite know what it was going to be.

The response we got was really pretty enthusiastic. People were very positive, and we started to work on it. This was just at the time that the new Bush administration was coming into office. It became very obvious that it was a hell of a problem. It was a really difficult problem to write a bill on this subject because there was simply no template, there was no place to jump off.

Charlene struggled with it for several months, and then we got into the middle of a bunch of stuff with the new Bush administration and we really couldn't do anything on it. It kind of languished, and we never did anything really until about September of 1989.

Again, at the point we decided to go out to-- Charlene went out to California, and had another meeting with the environmental groups, and said, "We're still working on this bill." Their response was again very positive, but somewhat cynical you know-- "Look, you came here a year ago and said you were going to do this, and you didn't do anything, so why should we help you again?" That

was sort of Tom Graff's response, and Tom was somewhat cynical at the time.

But Charlene said, "This is a difficult thing to write. No one has ever done this before; we don't know quite how to approach the problem. We've struggled with all of the typical problems that you have. What should we be doing? What is the guiding principle here? What are the objectives we are trying to achieve? How much do we want to restore fish and wildlife populations? Do we really want to do fish populations?" Because there are all kinds of fish populations and all kinds of different types of fish, and it gets very complicated very quickly.

But anyway, she really persisted at it, and we worked hard, and we struggled a lot during the Christmas interregnum in 1989. We really worked hard on getting a draft, going through it, laying out a statement of purposes, trying to find the elements that we could put into it by creating some fishery task forces and then working on trying to figure out a way to get the secretary to implement what's called the North American Plan for Waterfowl Restoration, and a number of other general kinds of things. That is the bill that was introduced in May of 1990, the California Fish and Wildlife Protection Act of 1990.

It was the result of our efforts, and as you can see from the bill, the bill contained a number of things. One of which was that we had a commission established to look at restoration. We looked at the problem of restoration and concluded that it was just so damn difficult, we don't know how to do it. So we did what we usually do in those kinds of things, we created a commission to have them look at it.

But the seeds were there, and this bill really provided-- This was the beginning. All of the various elements are there. We had responsibilities for the secretary, responsibilities for this commission, we implemented the North American Migratory Waterfowl restoration plan, we did some general efforts on water conservation, and we just had--it was kind of a mish-mash of things. But it represented a sincere and honest intent on our part to try to make the first effort at sort of restoring fish and wildlife resources in the Central Valley Project.

Chall: And that's the one that sort of got itself attached somehow to [Doug] Bosco's bill, H.R. 3613.

Beard: Well, we had a bill, H.R. 4700, that was introduced that had a lot of co-sponsors. And then Bosco had a bill, and he was in a tough sort of political race. George wanted to move his bill and he decided to attach his bill to the Bosco bill. At this point,

Congressman Lehman and others--they didn't have a sense of what this meant for their constituents. They were opposed to it because George was for it, but they didn't quite know what was involved. We had some hearings, we had hearings on the bill, and it was obvious that most people didn't quite understand it, so we reported the bill out of subcommittee, but it really didn't go any further than that.

Senator Bill Bradley and Staff Director Tom Jensen Take an Interest in the California Central Valley Issues

Beard: Now, it was about this point that Tom Jensen, who worked with Senator Bradley, saw the bill and really liked it. He became very interested in the bill, very interested, and said essentially that he wanted to put together a bill for Senator Bradley on the Central Valley Project and fish and wildlife issues.

Now, Tom had an interesting background. Tom had been a lawyer with the U.S.-Canada Salmon Commission--I've forgotten the name of it--in Vancouver, British Columbia. So he had a background on salmon issues, and had got his law degree at Lewis and Clark in Portland. He really was very interested in this issue, and had a background that was really quite different. He decided to approach the issue in somewhat different manner and ultimately wrote and introduced a bill, Bradley's bill, in the Senate.

Now for us, for Congressman Miller, this was a great, absolutely terrific, development. One of the problems that we had been having since 1985 was that every time we had a reform measure on water, we couldn't get anyone in the Senate to pay attention to it; nobody in the Senate would pay attention to it. Nobody cared in the Senate. You can't get anything done in the Congress unless you have a coalition and unless you have committed people who are working in both the House and the Senate.

The reason is that there are 535 members of Congress--100 senators and 435 members of the House. And there are about 25,000 registered lobbyists in Washington, D.C. Well, it doesn't take a genius to figure out that with only 535 people and 25,000 people plus their constituents all clamoring to get some of their time and energy and effort, it is really very difficult. Unless you have somebody who is willing to carve out some time and say, "I am going to work on this issue," you can't get anything done. So you have to find somebody who is willing to make that sacrifice.

Senator Bradley, oddly enough, was. He became interested in the issue, and he decided that he wanted to take on this issue and try to address it. Now, I never really understood why. And I still don't to this day. I think there is in his personality makeup, somewhat of a pixie, you know, someone who delights in needling people, and Senator Bradley, I think, enjoyed the repartee of arguing with people about these things. There were political reasons: people used to say he wants a good working relationship with the environmentalists, and he may run for president, and all of these kind of things. But in the end, I really think that it was just the sheer delight--he was fascinated by the subject and fascinated by the hardball nature of the water politics in California, and fascinated by being on the other side from all of these very heavy hitters, and he kind of liked the controversy and the intrigue.

So we, George Miller, introduced H.R. 4700, held hearings, moved it forward a little bit in that Congress, but it never really went anywhere. Senator Bradley, I think, introduced a bill at the very end of the Congress [S.2658]. I could be wrong on that, but it didn't really go anywhere, and it then was left for the next Congress in 1991 that Mr. Miller began to move the bill.

Beard: At this point, at the end of the Congress, all of the bills disappear, and you have to start all over again, so the bill was reintroduced as H.R. 1306. [March 6, 1991] We made substantial improvements in the bill from the previous Congress, and the changes really reflected some discussions. They weren't negotiations, they were discussions between ourselves and Senator Bradley's staff--Tom Jensen. We went over and said, "Well, look, here's our bill, and here's what you're interested in doing." We decided to pick and choose some things from their bill to try to make it a better bill, something that was kind of unique for George.

Chall: That you thought could go through the Congress, the House at least?

Beard: Well, through the House at least. I think even at this point, none of us, none of the people connected with George, ever thought in our wildest dreams that the thing would ever become law. I honestly believe that. George used to say, "This is going to be really hard to do. I don't think we can ever do it." Bush was president; we had to get the presidential signature. We had somebody in the Senate, but you never really knew how much time Senator Bradley was willing to put into it. It was difficult in the House, because you working with two committees, and you had the opposition from the growers, and there were all of these factors coming up.

Unexpected Changes in the House and Senate Affect the Momentum of the CVPIA

Beard: But a number of things at the end of 1990 began to change the politics of the issue. First and foremost from Mr. Miller's perspective was that Moe Udall became basically incapacitated, and in 1990 really was in terrible shape. He was not showing up at hearings, and his mind was wandering, and physically he was very disabled because of Parkinson's disease. And so the last year, in 1990, George was really running most of the hearings and performing a lot of the duties of Mr. Udall. Then the caucus re-elected Udall chairman in December of 1990, and then three days later he fell down the stairs and went to the hospital and virtually was incapacitated at that point.

George was then made the acting chairman of the committee, and I was made the staff director for the committee. So suddenly, George was the chairman of the whole committee, and that was a major development.

Another thing that was very important to the overall politics was that in 1990, the people from the Central Utah Project had negotiated out with the environmentalists a bill to complete the Central Utah Project and to move it forward. So we put their bill, as well as some other bills together, in one package, and on it were some changes in the Reclamation Reform Act dealing with the 960-acre limitation. Those were in there because we were responding to regulations that were put out by the Reagan administration in 1987.

That package went over to the Senate, and everybody was in agreement that the package ought to be passed except Senator Pete Wilson.

Chall: That was H.R. 2567, I think.

Beard: Yes.

Chall: That was the first Omnibus bill, as you call it.

Beard: Yes, and Pete Wilson adamantly opposed it; he was running for governor at the time. He just said, "No, I'm not going to agree to move this bill forward unless you take out the reclamation reform stuff," which the growers in the valley wanted. Mr. Miller said, "Well, I want them in there." And so, it was kind of a standoff, and the bill died.

The Central Utah people were furious. The bill contained legislation for other western interests--really minor stuff, we're talking really little things in this bill. Anyway, these interests were furious. The western senators were furious, because they wanted their little bit of pork, is what it amounted to. We had started this little bill in 1987. We didn't get it done in one Congress; we came back in the next Congress and got it all the way through and Senator Wilson queered the deal.

So what it meant was that there was a tremendous amount of momentum behind this sort of little Omnibus bill that we had, and some real frustration. Well, Pete Wilson won the election [to become governor of California]. Suddenly he was gone, and everybody seemed to be very happy. Now, at that point, everybody said, "Now George, you're not going to link your California Fish and Wildlife Bill with this Omnibus bill, are you?" To which George said privately, "Why not? I mean, this is what I really want."

We really made an assessment at that point that the Reclamation Reform Act amendments that we were trying to push didn't make a lot of sense. We were fighting a fight that was a fight that was really a decade old. In 1982, we had passed the Reclamation Reform Act, and that legislation really came out of a lawsuit filed in 1974 by the National Land for People. So here we were in 1991, arguing about something that was essentially almost a twenty-year-old problem. George just said, "Look, I've had it. We don't need to keep fighting this issue forever. I would rather us put the California Fish and Wildlife Bill on this Omnibus bill and fight for that. Because that's the future."

We said, "Okay," and began to move that bill, H.R. 1306, separately, but we also had this little Omnibus bill too, and held hearings. I think we even moved the Omnibus bill without the California stuff in it.

George was now the chairman of the committee, and as chairman you have a lot of leverage with people--bills don't move in Congress without the approval of the chairman of the committee, and so people were willing to defer to George. They knew there was this disagreement with the valley farmers--members representing the valley farming interests, and they didn't like the idea of being in the middle of this controversy between Miller and Coelho, but all of a sudden Coelho left.

Coelho was a brilliant tactician, and he had a significant power base as the minority whip. He basically worked with the leadership. Tony was the person who made it almost impossible for us to move legislation. We couldn't get it through the Rules

Committee, we couldn't get it through the leadership if Tony was really adamantly opposed. Well, suddenly, Pete Wilson has been elected and goes off to California as governor, Tony Coelho resigns, George Miller becomes the chairman, and Bill Bradley is now interested, and has his own bill in the Senate. So suddenly, the prospects just--the whole political landscape changed completely.

George Miller Develops a Coalition to Push for CVP Reform

Beard: That's the point where we really did something that was very unique. George became convinced, rightly so, that we were never going to move this legislation unless we had a coalition behind it. And the coalition would never get organized behind it unless he took the responsibility for putting together the development of that coalition. The way George's office worked was that George's closest advisor and long-time friend was his administrative assistant John Lawrence; John really handled the politics in George's office. I was responsible for the water legislation and the staffing of the issues.

Well, George, John and I then began a series of trips to California, where we met with business interests. We went to Los Angeles, San Diego, and met with Mike Madigan, who was with the San Diego County Water Authority and was a close advisor to Pete Wilson, and with other business leaders, and really talked. This was something that George had never really done much of because he never really had any ambitions to run statewide. It was sort of difficult for him, but he really did a great job. He met with business leaders, and essentially said to them, "Look, this legislation, something like this is very important to the future of California," and people agreed.

What we did as a result of those trips--we made trips to the Bay Area, Los Angeles, and San Diego, and made visits to editorial boards--we really began to develop a cadre of people who were buying into the concept of this legislation. Senator Bradley went out and visited a number of the same people and essentially said the same thing.

Then the environmentalists began to see that there was a possibility of this thing moving, so they actually became engaged and formed the Share the Water coalition as a sort of umbrella group, but then all of the other groups individually passed resolutions and did things in support of it. Then they began to do

a bunch of editorial board meetings and other sort of public relations activities that really moved things forward.

And so I really think that it was a confluence of a lot of really different things, a lot of different things came together, a lot of different pieces of the puzzle began to fit for a lot of different factors. It wasn't just sort of one factor or one person. It really takes a lot to put a bill like this together. There are a lot of different things that have to happen.

I don't know if that helps explain something.

### George Miller's Discomfort with Water Marketing

Chall: Oh yes, very much. In the bills that Senator Bradley was interested in that Tom Jensen nominally was writing, with some background from David Yargas and Tom Graff, they were interested in water marketing and water transfers. I think they felt that Miller was not comfortable with water transfers at all, so there was this difference of opinion between you for a long, long time.

At one point, back on September 6th, 1990--this goes back to H.R. 1316, which was what came out of H.R. 4700--David Yargas and Karen Garrison from the National Resources Defense Council wrote a joint letter outlining their difference of opinion with H.R. 1316 with respect primarily to water marketing and also to contract renewals.

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Chall: I know that from time to time you apparently talked to them about it, but what was your general reaction to this? Were you, the staff, and George Miller uncomfortable with the idea of transfers?

Beard: Well, I sort of have two answers. One is we were uncomfortable, Mr. Miller was uncomfortable. Mr. Miller really felt very uncomfortable about water marketing, and part of it is the Owens Valley experience. He just simply said, "Look, what's worse? Having subsidized agriculture wasting water, that's bad, but," he said, "having field after field filled with ticky-tacky subdivisions is bad as well." He was just really uncomfortable with the concept. He really was worried about the third party impact of transfers. That was sort of one level. In my discussions with him, I never really got the sense that George was adamant on it, but he is a thoughtful person, and he kept thinking, "Look, this just doesn't equate with me, I've got problems with it."

I don't really understand it, and I don't think we ought to be moving forward on something that I'm not entirely sure about."

That was one level. The other level was, the other factor, was that Congressman Lehman, Congressman Coelho, and then Congressman [Gary] Condit that followed him, and Congressman [Charles] Pashayan, who was a Republican from Fresno, who was followed by Congressman [Cal] Dooley--the valley congressmen were constantly talking to George saying, "George, you can't do this." George was under a tremendous amount of pressure from the valley congressman on a regular basis, who were saying to him, "Look, George, there is only one issue in my district, and it's you, and it's you and this bill, and I'm going to be defeated if you don't back off of this bill."

George said, "I believe in this bill, and my constituents believe in this bill." Because we did a lot of organizing in the district to make damn sure that people knew what he was doing, and it goes back again to why he was even interested in the subject area. He said, "I understand your concerns about water transfers and water marketing, and I've got those same concerns, but I want to move the bill forward." So that's where we were. It never really appeared in our bill, primarily because George was opposed, or uncomfortable--I don't think that opposed is the right word--but very uncomfortable, and he was being hit pretty hard. Members of the delegation were banging on him pretty hard.

There's another problem with water transfers, too, that I have struggled with. I have always been a believer in one of the fundamental policy precepts of reclamation law, and that is that we defer to state law wherever possible. In California, at least, California, compared to the other western states, is a fairly progressive legal state. So I've always said to people in the Senate who opposed us on things, they would make this accusation that you're trying to federalize this thing, and I'd say, "No, just let state law prevail," because California has a very progressive law in this area. And they would say, "Ah, well, we can't do that." So they always had this duplicitous position in my view.

But anyway, I always felt that water marketing and water transfers ought to be a subject of state law, not a federal law, that if the state of California wanted to allow this to happen, we ought to defer to the state and let the state do it. Now there are problems with that, because people who are getting water from the federal project were getting federal subsidies, so I was sort of uncomfortable with it too. As the chief staff person, and with George sort of uneasy about it--I wasn't there constantly saying to him, "No, no George change your mind." I basically agreed with

him. So we kept those provisions out of the bills that he introduced.

Chall: I just wanted to understand your reason.

Beard: David and Karen and Tom are absolutely right. George did not agree with their position, did not agree that water transfers and water marketing was the answer, and didn't put it in his bill. And they were not happy about it.

Chall: In the meantime, however, some of this was in the Senate bill S.484--transition to water marketing, a certain amount of up-front water and all of the rest of it. But you could not get that Bradley bill through the Senate.

Introduction of John Seymour's Bill S.2016 Changes the Politics of CVP Reform Legislation

Beard: Well, our difficulty in the House was that George introduced this bill [H.R. 1306], and the argument against George was that this was not needed, that this was one person's view on how to solve the problems of the Central Valley Project.

Chall: What person?

Beard: George Miller. In the House of Representatives, his critics said, continually, and his critics out in the field said, "Listen, this is George Miller's view of what ought to happen, but there's nothing wrong, we don't need to change it, no bill's better than some bill--" there was always that argument. So the onus was always on us to come up with the rationale as to why the Congress of the United States had to pass this bill. Frankly, it was a terribly difficult uphill battle. And even when Bradley introduced his bill, it then became "Bradley and Miller's view of the world," against present reality. "Why do we need to change things just because two people think it ought to be changed?"

Chall: Even though, there were so many environmentalists by this time, and the Business Roundtable and all of the others moving--

Beard: But it still was a powerful argument. It's you against the world. The moment that I heard that Senator Seymour, and I think it was Dooley at that point, were going to introduce their own bill [The Central Valley Project Fish and Wildlife Act], I went to George, and I said, "You've won." Because now it's not an argument of whether there ought to be a bill, there's agreement that there

ought to be a bill. Now it's just a question of what should be in the bill. And I said, "We win that fight every time, because you're chairman of the committee, you appoint the conferees, your staff is going to be the one writing the bill, so in the end you'll win. You're going to win this argument in the end because now the argument is a different argument. It used to be we want a bill; why do you need a bill? But now, they have a bill and we have a bill, so everybody agrees we ought to have a bill. Now it's just a question of just what does it say?"

I was really surprised, I must tell you--not surprised; I was shocked--that our opponents decided to introduce their own bill.

Chall: Did you know they were writing one?

Beard: Oh, yes. You heard the pitter-patter of their feet. They felt, from their perspective, that they couldn't withstand the criticism that we were constantly launching against them--that we needed a bill, we needed a bill, we needed a bill. They were having difficulty arguing with that. I think in retrospect, they realized the mistake that they made.

Chall: That they should have stonewalled the whole thing?

Beard: Yes. They should have stonewalled it, because they had the support of the administration, the administration was stonewalling; the Bush administration didn't agree with it.

So it was really interesting to me when that decision was made. I think there's an interesting story that ought to be told, and maybe this is the appropriate point to tell it--that is, when Senator Seymour was appointed. Senator Wilson was elected governor and resigned and then appointed John Seymour to follow him. And when that appointment was made, we had some momentary high hopes, because Pete Wilson had approached water in a very simplistic fashion. He just simply said in effect, "I'll go to Fresno, hold a fundraiser, and do whatever they want me to do." That was our perception of what he was doing.

He didn't give a damn about what the people in northern California thought, he didn't give a damn about what the environmentalists thought. Wilson really felt that the swing in the state was in the valley. He would get votes in southern California, and the swing was in the valley, and the way to get the valley votes was to do what the water guys wanted. That's sort of the simplistic view of it. And he raised a lot of money there too. This was sort of his view.

Now, when Senator Seymour was appointed, we really felt-- Let me back up. Senator Wilson's staff never spent a nanosecond worrying about the merits of an issue, the merits of a water issue. I mean they seemed to think that whatever the folks in Fresno said ought to be their position, that generally was the position they took.

Chall: And do you think that carried over when he was governor as well?

Beard: Well, I think so, but then that's just my perception. But when John Seymour was appointed, we really had high hopes. We thought maybe he would be independent, maybe he'll look at it a little differently.

About two or three weeks after he was appointed, George, who flew home every week, who commutes every week to the Bay Area, was on a plane, and as he boarded, he noticed that Senator Seymour was there. So George went up to him and said, "Look, you don't know me from Adam, and a lot of people have probably told you lots of things about me, but let me tell you how you can be a winner on the water issue by supporting this legislation. I would urge you to think about addressing water issues, to be an independent voice, and to really take a position that is really pro-southern California by putting some reforms on people in the Central Valley."

George said that he talked to Seymour for a couple of hours on this flight. I said, "Well what's the conclusion? You talked to this guy for two hours, what's the answer?" He said, "I didn't make any headway. He looked at me, and I knew the look in his eyes, which was 'I just got this job, I have absolutely no idea who you are, what you're talking about, and not only that, I don't care.'" It was sort of one of those things where, he was polite, but simply thought George was some kind of a crazy man who sat down next to him and started talking about some particular issue.

And from the very moment that Senator Seymour took office, he took a very strong position in support of the Central Valley Project farmers. And we always felt, Miller's staff always felt, that he took that position based on advice he'd received from Governor Wilson, "This is how you handle water, you do whatever the folks in Fresno ask you to do."

I don't know, Rich [Richard] Golb might have a different view on it, he was there, but it was always my view that was the case.<sup>1</sup>

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<sup>1</sup>Interview with Richard Golb in process.

But, anyway, when Senator Seymour and Congressman Dooley decided to introduce a bill, I really felt that the fight--the most difficult impediment in the way of getting a bill through was really gone, that we now had a green light. Now it really just became a question of how we would we do this. And that's hard--it was a hard fight from there on out. I think it was very difficult. It was the most difficult bill I've ever worked on, primarily because it was the largest because we had all of the various sections of the bill.

IV HOUSE AND SENATE COMPROMISES, NEGOTIATIONS, AND MANEUVERS MARK  
FINAL PASSAGE OF THE CVPIA: THE OMNIBUS WATER ACT

The Senate Passes the Seymour Bill

Chall: What was the reaction of Miller and the staff when the Senate committee [Energy and Natural Resources] and then the Senate itself, passed Senate bill 2016 into H.R. 429, and you were left with the Seymour bill? That was in April of 1992? You were now on the hot seat, as it were.

Beard: Right. It was good news-bad news. The bad news was a really terrible bill was now the Senate bill. The good news was that the Senate had moved a bill. Our problem had been that we had used every means that we could think of to try to jab Senator [Bennett] Johnston to move a bill, and we couldn't get him to move, and neither could Bradley. I never understood why Johnston never wanted to move a CVP reform bill. But he would come to George and ask for things, and George would say, no, and then Johnston would wander off mumbling, and then his staff would get to me and say, "Why doesn't George want to move this bill?" And I said, "Because you won't move his bill." They never quite understood the relationship and the commitment, and how strongly George began to feel about this bill.

What had happened was that this started out, as I said, as an idea in the shower, and we were going to fix up the fish and wildlife. Well suddenly, this thing had mushroomed into the biggest water bill that George had ever introduced. It was now becoming sort of like a legacy. He saw the upside to it, more so than any of us did at the time. He saw the upside of what was happening. This thing was getting bigger and bigger, and more important, and more people throughout the state were beginning to see the importance of it, but you couldn't get anybody in the Senate to pay attention.

The Senate, by moving a bill, was--well, it was good news that they moved a bill, but bad news that it was a terrible bill. Now, there was a reason that Senator Johnston used this approach. We had some legislation earlier on the Tongass Timber Reform bill, and we'd actually gotten that bill through because we put a [Frank] Murkowski-[Ted] Stevens bill in the Senate bill, got it through the Senate, then went to conference, and then came out with a compromise effort, and the Tongass legislation. That formula intrigued Johnston quite a bit. So he always tried to duplicate that later on. That was what he was doing in this case, he was trying to duplicate the Tongass approach.

He [Johnston] kept assuring us, "I'm not going to move a bill that you don't accept in conference. If you don't like the bill, it won't come out of conference." We took him at his word, but Bradley also said, "I'm going to make sure that its the right bill," and so we at least got to conference, which was the important thing.

Chall: So now we're talking about the conference committee.

Beard: Right.

George Miller Accepts the Concept of Water Transfers: The Significance of the Metropolitan Water District

Chall: But before we get there, before we get to the conference committee, I think you were talking about the fact that Miller introduced H.R. 5099, a bill similar to the Johnston mark, as I understand it, in May of 1992, which would be the House bill opposed to the [Seymour] bill that had passed the Senate. David Yardas claimed that he spent quite a bit of time with Steve Lanich and Liz Birnbaum working out the substance of this. But then, when your own staff worked on it, while it came out somewhat differently, it showed that you had accepted some ideas of water transfers?

Beard: Yes.

Chall: And how did this come about that you accepted some of these ideas?

Beard: Well, I think there were water transfer provisions in the Seymour bill, as I recall. I could be wrong on that.

Chall: Yes, there were some not like the others.

Beard: No, not like the others. But it became pretty obvious to us that in the politics of the issue, which is really the place where I spent most of my time, the politics of the issue really demanded that we include something on water transfers. Primarily, this was because this was the only thing that Metropolitan Water District of Southern California was really interested in. There is no other reason why they should be interested in the bill. The Met is fundamental in water politics in California. You've got to have the Met on your side, and the Met was interested in the bill; they saw it as the major advantage to them.

Most people in southern California, including the Met, saw water transfers as a potential new source of water, and so in that sense George, despite his unease about it, sort of said, "Well, I guess I can go along with it in a limited fashion." Plus everybody by this point had transfer provisions in their bill. Seymour did, Bradley did--they were there and we'd been talking about it enough that we knew a little bit more about it now. And then it was fundamental to the politics of the issue too.

I suppose I could go back and do this, but it would take me a while to do it. I used to know it at one time. I don't know how many times we passed this bill [House CVP reform bill], and in how many forms, in 1992, but we did so a large number of times. We seemed to try to attach it to just about everything that we could find. We were doing it because we were trying to find ways to get this thing over to the Senate, get the Senate to move it, and then get it back. All you have to do in the Congress is pass the same version in both houses, but that sometimes is very very difficult. We had reconciliation bills--we had every kind of bill that you could think of and we were always trying to add our provision to something else, trying to find vehicles to get it through.

#### Motivation for Attaching the CVPIA to the Omnibus Water Bill

Beard: The thing that we really decided on in the end-- We really sort of settled on this strategy of attaching our bill to this Western Water Omnibus bill that was going through. The one that had failed in 1990 because Senator Pete Wilson had failed to go along with one of the provisions. We'd not really attached the Central Valley Project bill to the that Omnibus bill until 1991 when George made the decision to try to do that, and so we linked the two, and at that point they never were really separated.

Our conclusion in the end was that the only way we were ever going to get this thing through was to have it be part of an Omnibus bill.

The reason the Omnibus bill worked is that in the Senate there were a lot of western Republicans, primarily, but a lot of western senators who don't have a lot of interest in water reform. Their states have done pretty well, and their farmers and agricultural interests like the subsidies that they get, and they're not interested in cutting off the gravy train.

And so every time we would throw out a reform effort, they'd see it as a threat to their state and they'd kill it. We never could get anything through the Senate. It was really difficult. The only times that we did is when we used to push "free market values" and stuff like that, and that never made any difference either, so we never seemed to make any headway and it was very frustrating.

But we watched what happened when the Omnibus bill was put together, and it was really amazing. Some very, very minor bills, frankly, as far as we were concerned--I mean the amount of money and other things that were in there, it was really minor--really seemed to energize these western senators. They wanted these bills desperately.

Chall: Wyoming and--

Beard: Wyoming was the best example. Senators Malcolm Wallop and Alan Simpson desperately wanted their bill, and these bills were practically not even necessary in many cases. But they wanted these bills, and who were we to argue with them if they wanted it? The more they wanted it, the better it was for us.

It became pretty apparent that this omnibus strategy was going to develop and move forward and ultimately be successful because they were getting what they wanted and we were going to get what we wanted.

Chall: If you held off long enough?

Beard: If we held off long enough, and if we kept the pressure up enough. Senator Seymour was really the only person in the way. Senator [Alan] Cranston was coming to the end of his term, and was not terribly interested and was sort of taking a walk here. He wasn't interested in the issue, and his staff did a good job of working silently on our behalf, trying to help us whenever possible.

Senator Seymour, unfortunately, really kept putting--dragging this thing out, dragging it out and dragging it out, and wouldn't compromise. The other western Republican senators became very frustrated with Senator Seymour because they-- That's the reality of being a legislator. You always work to compromise, to work towards the middle. Senator Seymour was not showing any interest at all compromising in any fashion on anything dealing with water.

Now I knew why, because the valley interests were adamantly opposed, and so the western Republican senators began to put pressure on him. They said, "Hey look, you've got to compromise at some point." And that was largely due to the fact that we had developed the strategy of putting together an Omnibus bill.

Chall: Holding it hostage, as they say.

Beard: Sure.

#### George Miller's Compromise with Central Valley Congressmen

Chall: Let me back up then just a bit. You introduced 5099, which did have some elements in it that were like the Johnston mark and Bradley's bill, which of course the environmental groups were strongly for in general.

Miller then had discussions with some of the valley people-- Dooley, Lehman, Fazio, probably--and came up with a compromise which the environmentalists call "a compromise for a day." They feel, the environmentalists feel, that the bill then had no money in it, no water, and it left the decisions up to the secretary of the Interior, who they felt they might not be able to trust. Of course the agricultural interests also felt that they might not be able to trust who might be the secretary at some point. But the compromise really created quite a stir among people on both sides of the issue.

What was the reason for that compromise? You probably have explained that already--just to get that bill out was probably one of the main reasons.

Beard: Well, you know, the whole concept of a legislative body, at least in our system, is that you negotiate with your adversaries and try to reach a compromise that is acceptable to both parties. And that's what that bill--that version of the bill was all about. We had our own version which we had introduced. They had their

version, and so far never the twain shall meet. We had been at polar opposites here.

George directed us, he said, "Listen, we have an obligation here to try to see if we can forge a compromise, a compromise which we can live with, and which we can sell to the environmental community and the people and everybody else." George felt that we had to do that because the criticism that was being laid against him by the valley members was that, "George, you're not being reasonable. You won't sit down and negotiate with us." And so we sat down and we negotiated, and that was really John Lawrence, and myself, and Steve Lanich doing the staff work.

I think it is fair to say that the environmentalists did not have the kind of impact on our versions of the bill that they had in the Senate. I mean, Dave Yardas worked very closely with Tom, but he did not work as closely with us, primarily because we had more resources and we had a greater personal stake in it. And we had some views that they [the environmentalists] didn't share.

But we did sit down, and we did negotiate. After the first negotiation session we went back to George and said, "This just isn't going to work, these guys aren't interested in negotiating anything." Well, we started to negotiate and didn't go anywhere, but we worked forward and sort of came up with this draft for a day, and we took it out and we showed it to everybody and everybody just sort of went thumbs down.

Chall: Both sides?

Beard: Both sides. At which point we went back into the room and said, "This isn't doing either of us any good." And at that point, the other side decided that--

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Beard: --as Congressman Dooley and Congressman Condit said, "We simply can't negotiate with you, because any bill is unacceptable to our constituents." And we understood that; that's fair. So we were then left in the sort of odd position of having complete freedom to negotiate anything we wanted. There was nothing standing up between us and the goal line, assuming that we could get this thing there. And there was nobody to interfere with us on the House side. Nobody on the House side really cared, other than George and the valley congressmen--there wasn't anybody from New Jersey or someplace who was really committed to it.

Congressman Fazio's staff did a very good job of sort of-- Fazio was going to oppose the bill, but he kept coming forward with

these little provisions, saying, "Can't you put this in there, and can't you put that in there?" We tried to accommodate him to the extent that we could, so that at least the tone of his rhetoric was--

Chall: Are we still talking about H.R. 5099 or the final?

Beard: Well, I'm talking about the final bill.

Chall: Okay, I just wanted to make sure.

Well, first of all, we have to go back to H.R. 5099, because after the compromises were made, you did pass that bill in the House. Then a tiered pricing was added as an amendment, which had been considered before apparently, with Yardas working with Congressman [Sam] Gejdenson. Otherwise it contained the compromise language, as I understand it. It came out late at night with a voice vote.

#### The Somach-Graff Negotiations

Chall: But, we haven't discussed Somach-Graff, which came out before you went to the House with H.R. 5099. Tom Graff was asked to consider this negotiation with [Stuart] Somach, and he [Graff] said he went to you, and you said in effect, "Go ahead, we just won't promise you our support, but see what you can do." Because you were, at that point, at a stalemate and both sides apparently felt that maybe something should be done.

However, Somach was pulled out before the briefing session, and the only person left to do the briefing was Tom Graff. Can you describe that briefing meeting?

Beard: Well, it was pretty laughable, actually. What was happening, what was really happening here was a larger tussle that was taking place, and that was that the people who were opposed to a bill were just so strongly opposed to a bill. You've got to remember the whole politics, in my view, changed when they introduced a bill and said, "We're for this bill." And as it turned out, even if we would have moved that bill [Seymour S.2016], I don't think they would have been supportive, but that was as far as they were ever willing to go on anything.

I really think that Stuart and Tom really did a service to everybody by trying to sit down and negotiate a compromise. You've

got to remember, we wanted a bill and we were willing to compromise a lot.

One of the things that has frustrated many people in the environmental community with George has been his failure, in their eyes, to fall on his sword. Now, he has fallen on his sword a lot of times, but George has always recognized that in the Congress at least, he's at one end of the spectrum. If you're at the end of the spectrum, be it on the right or the left, you can never get your way 100 percent of the time because your views are extreme. In our system at least, we always move legislation that is in the middle. The trick is to try to move the center of gravity to your side of the center line at least.

And George always recognized that, and always felt that his job was to get out in front of the parade, to be the first person to introduce the bill, to raise an issue, to debate it, to move it forward, and then to move on to the next issue. Because that is what he did best, he liked that. He has always liked being a trail-blazer on issues and subjects of concern, as opposed to somebody who is sitting around crossing T's and dotting I's. That is just not his basic nature.

#### Compromise: The Foundation of a Democratic System

Beard: The environmentalists have a different agenda. They have certain things that they want in the bills, and many of them are very unrealistic in the political sense. So it's always a clash, it's a clash of values and ideals, and positions and thing like that. I have always taken the position--I share George's view, I'm--if you were to ask me--I'm way out on the left too, but I understand that the majority of the people don't share my views, and that I live and work in a democracy, and that I have to temper my own personal views with those around me, and to try to move the debate to my side. But I'll never get my way 100 percent of the time. And thank God we don't or otherwise we'd probably have revolutions in this country.

So compromise really is the foundation of our system, and is terribly important. A lot of people who are with advocacy groups don't understand that, that compromise is fundamental and essential to the system. So I really felt that having Tom [Graff], who is, I felt, the most articulate advocate on one side, and Stuart Somach, who is the most reasonable and articulate on the other, sit down and try to forge a compromise, would have made a lot of sense. And

there were a lot of things in their compromise that I really thought were interesting.

Chall: And they did get into the final bill, some of them.

Beard: Yes, some of them did. And I really thought they were interesting. I thought it was a thoughtful debate and discussion, and it was really very useful to have them do that. We knew these discussions were taking place, we encouraged them, but we didn't participate in any way. They came out, and said, "We want to come back and brief people on where we have arrived." Our answer was, "Boy, that's great! Come on back, we'll give you the room and make sure we notify everybody." Lo and behold, we got ready to notify everybody and there was no Stuart, who had been called off by his folks.

And Stuart, I think, had to recognize-- He's a businessman, he's a lawyer, and he makes money representing a lot of those people, and he certainly wasn't in a position to alienate his potential clients to that extent. He had been given a certain license, and obviously they didn't like what he had done. He was not happy, incidently, about that either--

Chall: About being called out?

Beard: Sure.

Chall: He'd worked hard on it.

Beard: Well, he's a reasonable person, and he really felt that he had been-- Somebody gives you authority to enter into negotiations, and you go through and complete it, and then you go back and they pull the rug out from underneath you, it kind of makes you look silly. And I think that's what Stuart felt, that he was made to look silly and he didn't like it. And, frankly, I don't blame him.

#### Factions Within the Agriculture Community

Chall: Were you aware what factions there were within the agricultural community, and what a difficult time they were having themselves? I suppose you probably realized it when you working with people on H.R. 5099, that some of them were willing to make some compromises and others were adamantly opposed to it, so that even they were having great difficulties.

Beard: I think there is a tendency on the part of all of us when we get involved in these kinds of issues and debates and discussions--a

tendency to categorize people, put them into little niches and talk about the niches, and not appreciate the subtleties within the niche. I think this is one of those cases.

Our relationship, certainly from Mr. Miller's perspective, with the ag community was almost nonexistent. They didn't call us, we didn't call them. It would have been a waste of time, a waste of their time and a waste of my time. I talked a lot with Stuart Somach. I negotiated with him on a large number of issues. I talked to their lobbyists [Wes McAden and Bob Will] but there wasn't a lot of reason for me to have a long discussions with them either. They weren't going to tell me much and I wasn't going to tell them much. We liked each other, and I think respected each other, but we just didn't spend a lot of time-- So I was generally aware that they were having real difficulty internally. They couldn't get their act together.

Because there are significant differences between east side and west side, the Sacramento Valley, the San Joaquin Valley--you know, people who had water rights before the projects were built, and those that didn't. It's all very complicated, and very fractious, and there were these divisions between the various elements, and it worked against reaching any resolution.

#### The Conference Committee Struggles with the Omnibus Bill

Chall: Okay, so the briefing of Somach-Graff was on June 16th, and on June 18th, you passed H.R. 5099 out of the House. And then the conference committee.

Now, as I understand it, Fazio distributed some draft of his own bill with some ideas in it, 700,000 acre-feet of water plus unallocated yield and a \$30 million restoration fund. And then Miller came in with a mark when the conference convened, with a million acre-feet of water and a \$50 million restoration fund, and some things from Somach-Graff. Having stated that the project also was there for water, fish, and wildlife, that was one of the rationales for the project. Apparently there was some kind of a Senate counter-offer.

And then, as the conference committee only met once, the rest of it was done by staff. I know you started to tell me about that, so tell me more.

Your staff, which was Beard, Lawrence, Lanich. Then Jensen--

Beard: Jensen was with the Senate.

Chall: Senator Wallop, or his staff?

Beard: Yes, a fellow by the name of Jim Beirne.

Chall: And Mr. Fazio's staff.

Beard: Yes, Roger Gwinn.

Chall: Okay.

Beard: Well, the way the discussions started out was that-- First of all, you have to remember the situation we found ourselves in. We had a bill that had about fifty-five different titles, somewhere around fifty-five titles to it--fifty-five or sixty, I've forgotten which --so each one of these had to be resolved individually. And some of them we just simply couldn't accept. They weren't in our bill, they were in the Senate bill, and we just couldn't accept them. On the other hand, there were some in our bill that the Senate couldn't accept.

Chall: So this was in the Omnibus--

Beard: Yes, the Omnibus bill. So we started out with this veneer that you have sixty different bills all wrapped up in one, and you've got to resolve all sixty. Now in the House, we had conferees who represented the Merchant Marine and Fisheries Committee, the Natural Resources Committee, and the Public Works Committee. So we had kind of a three-ring circus here. We had a lot of staff people all wandering around. And a lot of egos running around as well.

Some of these bills were very controversial. I mean, the Grand Canyon Protection Act was one of the titles. It really dealt with trying to preserve and protect the Colorado River downstream from the Glen Canyon Dam as it flows through the Colorado River. That was a huge issue for Arizona and the power users in that part of the country. There was the Central Utah Project Completion Act provision, those were very important. There were individual bills dealing with Kansas and Nebraska and all of these other states--

Chall: Tribal land?

Beard: Tribal lands, we had. Then we had the whole Central Utah Project thing which was a huge part of this bill, a couple of billion dollars. So, we started out. The first problem we had is that we had a hell of a logistical problem of how to get through this. We didn't have that many people working there. And we had the administration, which was absolutely no help. They were sitting on

the sidelines. They had taken the position that they were opposed to the bill in its entirety, and were opposed to every provision in it, and weren't going to do anything to lift their finger to help. So there was no help.

Chall: Oh, really?

Beard: Yes, so there was no help.

Chall: I thought it was just the Central Valley Project Improvement Act that they opposed.

Beard: They didn't do anything to help us. So that really meant that we didn't have people there to help us with a lot of the logistics and things like that. And we were coming to the end of a Congress, and there was a time constraint. So we went through pretty quickly, and were able to dispense with some of the least controversial issues, and pretty much handle those. And we got down to a number that were more controversial than others, and that really was the Grand Canyon Protection Act provisions, the Central Valley Project Improvement Act. I'm trying to think of some other controversial ones. Well, those were probably the most controversial ones.

Then we had Senator Johnston add on at the end some amendments to the National Historic Preservation Act which didn't deal with anything. It sort of dealt-- Some of us felt that he was more interested in getting the program housed at some college or university that his wife attended than anything else.

#### Final Negotiations on the CVPIA

Beard: But anyway, we had all these various provisions that were in here. But we were able to go through fairly quickly and dispense with most of these issues except for the Grand Canyon Protection Act and the Central Valley Project Improvement Act. We got through the Grand Canyon Protection Act stuff, so we then were left with the CVPIA. George asked us to sit down with Fazio's staff to see if there wasn't a way in which we could get Fazio on board. So we made a number of changes in the bill to kind of reflect some of the suggestions that he was bringing forward, that his staff person, Roger Gwinn, was bringing forward. These were long discussions. We'd have to sit for hours, and Roger would come in and say, "Well, I have this provision that deals with X, and our constituents need this, and maybe Vic can go along with the bill."

So you'd say, "Look, this is a difficulty, we've got to change this," and then they'd go out and talk to their folks. It just went on for endless hours.

It finally became pretty obvious that Fazio was never going to support the bill, but he still wanted these changes. Then it became a situation of George trying to accommodate Vic, but not destroy the sort of internal integrity of the whole bill itself and the process. So we made a number of changes in the bill that were changes requested by Mr. Fazio, not all of them, but some of them. And I think it did soften his opposition. He was still opposed, but he wasn't shouting or screaming like Lehman and Dooley were, to that extent.

I felt sorry for Congressmen Lehman, and Dooley, and Condit. They were frustrated because they were not able to engage in the process. Their constituents simply said, no. And that's very frustrating to a politician, because a politician really wants to sit down and negotiate, and they couldn't do that. Despite their lack of involvement, we felt we had a product that was pretty good.

Then we sat down with Tom Jensen. I think we--Dave Yardas was there helping Tom quite a bit--and we made a number of changes in the bill, too, to accommodate requests from the Metropolitan Water District and others, to try to shift things around so that we could get their support and make sure that they were happy with the final product.

We were cognizant of the fact that we really didn't have anybody in the room talking to us that was adamantly opposed to the bill, so we were kind of in a position which we'd never had before. Usually there are boundaries in the room; there are people on one side and people on the other side, and you negotiate something in between. Well, we had just one set of people in the room, people that were on one end of the spectrum. It was kind of laughable in the end, we laughed about it a lot at the time. We wanted to make sure that when we came out with something, it wasn't so outrageous that people like Senator Wallop and others would sort of say, "Hold it, you guys have gone too far." So we had those boundaries on us.

And we really felt that the product that we came out with in the end was a product which, when Jim Beirne and others read the bill, they were able to say, "Well, okay, that's sort of reasonable." And even to this day, I don't think they see the bill as that we went too far one way. Many of the growers feel we went too far, and are trying, at the time we're speaking now, trying to get some of it back. But I think it's going to be-- It's a pretty hard case to prove that the bill has really gone too far, because

we were able to implement it in a wet year without much imposition, and we've also implemented it in dry years as well.

Chall: I see. So you think that you came out with a fairly decent type bill. Do you think that they thought--and I think they did to the last--that if it got through both houses, that President Bush would veto it, and so they didn't have to move, they didn't have to engage?

Beard: Yes.

Chall: And what did you think? Did you think that too?

Beard: That's a very interesting comment. We had our own contacts in the Bush administration. The associate or the deputy director of OMB-- I can't remember the guy's name--

Chall: I think I've got it somewhere.

Beard: Yes. He's gone off to be an investment banker somewhere. But we had been talking to him quite a bit about this bill, and he was very supportive, and we had been able to help him with some things dealing with fish and wildlife resources. He was a very strong supporter of the National Fish and Wildlife Foundation--Bob Grady is the fellow's name. Grady was very strong, he was a good politician, and he really felt that if President Bush could capture a significant number of people in the environmental community, that it would really help him in his reelection effort, and I think he was probably right in that.

We talked to him quite a bit. He told us, "Look, we are getting a tremendous amount of pressure from western Republicans who are telling the president, 'You've got to sign this bill.'" It was Senator Wallop. Well, it was led primarily by Senator Jake Garn of Utah, who was absolutely adamant about passing this bill. Senator Garn, and Senator [Orrin] Hatch from Utah, Senator Wallop, Senator Simpson from Wyoming, and Senator John McCain of Arizona were really pushing President Bush to sign this bill.

So we knew that. It was a gamble, but I always felt that the president would sign the bill, and I was the only one who really felt that way. I guess, having studied these issues more than most people, I've always been convinced of the power of the pork barrel, that these senators wanted their provisions so badly that they were going to go down and sit on the president's desk and demand that he sign this bill.

So I was always very confident. George was not as confident, and many of the environmentalists were just always running around

saying, "What are we going to do about the administration?" I kept saying, "We're going to do nothing. We're going to send the bill down, the president signs it or he doesn't." For us, that was really the easiest part.

Because you've got to remember, we entered into this fight, if you will, years before with absolutely no inkling that we would ever be successful. And I really can't stress that enough. I don't think that George ever thought we'd ultimately pass a comprehensive reform bill. At least I never felt we would. I never, ever thought that we would pass this legislation. I didn't think we had the foggiest chance of passing it. And the fact that we did was not a surprise--it was hard work--but it was astonishing to me. And to me, if it would have passed the Congress and the president vetoed it, I would have felt I'd achieved a victory anyway. Not as big a victory, but at least I would have achieved a victory. We'd have gotten the thing through the Congress.

And in fact, we almost didn't get it through the Congress.

Chall: What happened?

Beard: We negotiated out the CVP portions, and at that point, we had the whole bill done. We put together the bill, and the Senate staff read it, and the conference report--there was really no conference report, just says, "Here is it," because we didn't have time to write it. We were literally down to days and running out of time.

Chall: So what do you mean, you just put out a draft of this thing?

Beard: Usually what you do in a conference committee is that you sit down and you take the House bill and the Senate bill, and you negotiate a compromise. Then you write a report on that compromise, and you say, "The statement of purpose, the House said this, the Senate said this, and the conferees have taken the House position." You explain what you did and why you did it.

Well, this bill, you've got to remember the final act itself was--how many pages?

Chall: Quite a few. [laughs] I think the pages are numbered.

Beard: [looks at published Omnibus Act]<sup>1</sup> It's about 160, 170 pages. We didn't have a lot of time. So we simply didn't write a report. The report simply said, "The House and the Senate conferees have

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<sup>1</sup>Public Law 102-575, October 30, 1992: Reclamation Projects Authorization and Adjustment Act of 1992, pp. 4600-4769.

met, and here's the compromise bill they've come up with." That's all we ever said. We never explained any of the provisions about anything. On the CVP portions, that's what we did. In other portions, where we had the time, we wrote it.

So we put the whole report together. Now, at this point, you take all this--and it's a huge stack of paper--you take the new compromise bill and whatever report you have on it, which is a huge stack of paper, and you then go around and physically get the signature of every member who is on the conference. It can't move forward without the signature of the conferees, and a majority of the conferees.

Well, we had negotiated the provisions in here in the CVPIA and we had not included anything to change the way in which you allocate supplies in a drought year for municipal and industrial water supply customers. Well, the Santa Clara Water District, under the leadership of Ron Esau, who was the general manager, wanted the bill changed. They wanted provisions included in the bill that would give them more water in a drought year. There were provisions in the Contra Costa Water District contract which he wanted, and he wanted those in law. He went to Congressman [Norman] Mineta and said, "Don't agree to sign this report until you get these changes." Mineta said, "Yes, sir." I mean, he said, "Fine."

Chall: Oh, that's the reason.

Beard: So we went for days. Mineta would not agree to sign the report. And there was a huge fight, George--I've never seen George so mad, because he had worked so hard, and now we were at the very end, and Mineta was just adamant. He would not move. And we went to the Senate guys and said, "Okay, can we make this change?" And they said, "No way. We're just not going to agree to it." And it was wrong from a public policy standpoint to do that.

So that's the point at which we thought we would lose. Not only that, it was very curious. Mineta for some reason wouldn't sit down and negotiate--

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Beard: We would say when we were meeting with him: "What is it you want? How can we solve this problem?" I can't even remember how we solved the problem. I think we agreed to hold hearings and move legislation in the next Congress to address the issue, and have the secretary do some other things. But we ultimately got Mineta to sign the bill.

But I thought at that point that we were going to lose it, that Mineta was just going to hold on to it for so long that he just wouldn't do it.

Chall: Now, what about Leon Panetta? I understand that he was adamant about something.

Beard: You know, I can't remember what he was adamant about, but now that you remind me, he was adamant. But he was George's roommate, and George really put the arm on him, and agreed to provide help to him. I mean, that's about all you can do at that point. You agree to help somebody in some way to do whatever it is that you can do to help them out. It's very frustrating, because we were down to the last few hours of the Congress, and we knew that Senator Seymour was then going to filibuster the bill--the conference report--which was a very unusual action, and so we were fearful that we were simply going to run out of time to get it through.

#### The Omnibus Bill Moves Through the House and Senate

Chall: That was difficult to get through House, I guess, because of this kind of maneuvering which made it late. But it did pass on a voice vote, after a number of, I understand, other votes on it in various areas.

Beard: Yes. The valley congressmen offered up motions and things to kind of put on a good show, but at that point, we had the votes, we had passed it a number of times, everybody was on board, and it was really in everybody's interest to move the legislation forward.

And then it went over to the Senate, where they engaged in this rather lengthy charade of delay which Senator Seymour undertook. Senator Seymour filibustered the conference report, and his Republican colleagues were totally frustrated with him. They abandoned him and never did support him in his effort. So he was left by himself, out there giving his long-winded speeches, railing against the bill. But in the end, he lost, and the bill was then sent to the president.

At that point, all the western Senators sort of jumped in on the action, and frankly, they really did a number on President Bush. They really worked hard, put a lot of pressure on him to sign the bill, which he did in the end.

Chall: I understand from Barry Nelson's interview that the vote in the House--the activity in the House on the vote--was a "lobbying

frenzy" around the door. [laughs] He said the secretary of the Department of the Interior and Senator Bradley were all down on the floor besieging the congressmen. Is that how you recall it?<sup>1</sup>

Beard: Well, no, Secretary [Manuel] Lujan did go down on the floor, and he did wander around to a few people and say, "Gee, I'd like you to go ahead and vote no," but at this point--

Chall: It didn't matter?

#### Analyzing Aspects of the CVPIA and Its Implementation

Beard: It didn't matter. First of all, the administration played no role in the debate or the discussions, and I think that is a tragedy, in my view. The real strength--one of the reasons why the CVP is going to be amended some day--I don't know whether it will be amended this year, but it's going to be amended some day, and it ought to be amended--is that when we wrote the bill, we really didn't know what we were doing in some important areas. (I hope somebody doesn't misquote that statement.)

Chall: They can't misquote it, because if they're going to use it for publication, they have to quote it exactly, and you have to give permission. In what ways?

Beard: In what way? Well, what you had is you had myself, and John Lawrence, and a number of lobbyists who were handing us pieces of paper, and our own imagination, writing a bill, and Charlene Dougherty and Steve Lanich also working on it, on one side. And then you had Tom Jensen, and Dave Yardas, and other lobbyists, and other people handing them pieces of paper on the other side.

Missing from the equation are the professionals--the bureaucrats--who will implement this law. Our knowledge of the system and how it operates was limited. None of us had ever worked at the Bureau of Reclamation. I had worked at the Interior Department and supervised the Bureau of Reclamation, but I had never worked there. We were not aware of many nuances that are present in the system.

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<sup>1</sup>Barry Nelson, *The Passage of the Central Valley Project Improvement Act, 1991-1992*, Regional Oral History Office, The Bancroft Library, The University of California, Berkeley, 1994, p. 63.

For example, regarding water transfers--we thought this is very unique. Well, in fact, it wasn't unique. Transfers had been taking place for years. And what we did, in fact, was that we added a superstructure, we added a layer, on to the approval process that wasn't there previously. So we, in fact, slowed transfers down, not sped it up. But we didn't know that at the time. And the reason we didn't know it is the administration wasn't communicating with us.

And they weren't communicating for a fundamental reason. Secretary Lujan and the people in policy positions down there made the decision early on that they were going to do absolutely nothing to make this bill better, to correct mistakes in it, because they didn't want to help move the process along. They were that opposed to the bill. So they sat and did absolutely nothing. Well, when this bill passed, a lot of people, like the regional director of the bureau and others, sort of said, "Gee, if we'd have only known, we could have done this or done that." A lot of exemptions, for example, to the contracting moratorium and some other things. We put in exemptions when people brought them to our attention, but a lot of people didn't bring them to our attention because they didn't have lobbyists. We didn't know about certain things.

So there are some mistakes in there. There are some things that ought--not mistakes--but things that ought to be corrected. They have to be corrected some day.

Chall: Are those technical kinds of things?

Beard: Yes, they're technical, but there are some substantive things, as I've said. We did some things in the water conservation area: tiered pricing, for example. We should have had tiered pricing or an equivalent pricing system, but tiered pricing doesn't work in some districts. It in fact will be counterproductive in some districts. Well, none of us knew that. And what we were searching for is, we were searching for a means--we wanted to include provisions which would require districts to impose pricing structures which promote conservation and efficient use, as opposed to promote waste. Now, that's what we were really looking for, and we didn't care whether it was tiered pricing or banana republic pricing, we don't care. Whatever would work.

Well, because we didn't have the involvement in the drafting of the bill by the professionals, the people that are involved in managing the system, we really suffered as a result of that, and I hope that that will be corrected. Now, some of those corrections have already taken place in the implementation phase. In the implementation phase, the bureaucrats, the people at reclamation and fish and wildlife have worked very hard to implement the bill,

and they've actually made a number of changes through interpretation to correct some of those problems.

But that was really a problem of draftsmanship. It sort of proved the downside to our system of government, where the government employees, the professionals, aren't part of the legislative branch. In a parliamentary system, a bill is written by the agency and then it's handed to their boss, who is also a member of the parliament, and it's passed. Well, in our system, we have the agency writing bills and the Senate staff writing bills and the House staff writing bills, and it's a--

Chall: Pretty soon a compromise doesn't make sense.

Beard: Yes. That's what happens.

Chall: That's interesting. With respect to the implementation--I want to go into that in the next phase with you--Mr. Peltier had first said that they [CVP contractors] wouldn't help implement the bill, and when I asked him about that, he said they would have to. But he said, "All the monsters that we said are out there obviously aren't going to be there. Just as on the other side, all the wonderful benefits that they claimed would be there most assuredly won't be there. But anyway, we needed to de-monster it a little bit and start engaging and trying to make it work."<sup>1</sup> He also felt that they never had a fair debate; it wasn't a fair debate. That's probably because they weren't in on it?

Beard: Well, I don't think that's a fair criticism. I think first of all, they never thought that the bill would ever pass. I don't think that Jason and the people that he represented ever seriously considered the possibility that the bill would be passed and become law. I had some one-on-one discussions with Jason, and I told him, I said, "Jason, this bill is going to pass." He told me, "You're wrong. It's not going to pass." So I think from the very beginning, they never, ever felt that the bill would pass.

And I think there are several reasons for that. One reason is they thought that they had power and ability and authority so that they could stop the bill. They had President Bush and the administration and then Senator Seymour. But the other reason I think that they felt that it wasn't going to pass is a very common mistake that people make when they deal with George Miller. In the early 1980s, George really learned how to become a legislator.

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<sup>1</sup>Jason Peltier, *The Passage of the Central Valley Project Improvement Act, 1991-1992*, Regional Oral History Office, University of California, Berkeley, 1994, pp. 51, 73.

George is an extremely able, capable legislator. He is somebody who loves politics and plays politics well. I think because of his bellicose nature--he tends to shout loudly, and he's very big, and he's very loud, and very domineering--that many people view him as a buffoon, and they overlook the fact that he's a very accomplished politician, a legislator who can get things through the legislative process.

I think that's a skill that he is not given credit for, and I think many of his opponents in the CVPIA never thought that he could pull it off. They just thought, "Well, that's just Miller's own view of the world and it will never go anywhere." And in fact, he was successful, and it did become law. And, as I told you, I even think we were a little surprised that we were able to pull it off. But part of it was that the stars sort of aligned themselves in a way that-- You know, we never could have predicted that Pete Wilson would run for governor and get elected. We never could have ever thought in our wildest dreams that Tony Coelho would resign and go off and become a millionaire investment banker. We never thought in our wildest dreams that George would become chairman of the committee. We never thought in our wildest dreams that the people, the environmentalists and the Utah people, would ever come to agreement on the Central Utah Project, which was really the main locomotive pushing the train down the tracks.

So a lot of things happened--it was luck. We took advantage of it when it did occur, but a lot of it is luck.

## V COMMISSIONER OF THE BUREAU OF RECLAMATION, 1993-1995

Chall: Well, having accomplished that, I'd like to get into your work as commissioner of the Bureau of Reclamation which you've had, what, a year and a half? Two?

Beard: No, two years, a little over two years now. Two and a half years.

Chall: You were appointed June, 1993?

Beard: I was confirmed in May of 1993.

Chall: I see. It's quite a change from being the head of a staff that isn't terribly large to being head of a tremendously large agency. How big is that agency? As commissioner, what were you appointed to do?

Beard: Well, the Bureau of Reclamation is the largest wholesale water supply utility in the United States, and it's the sixth largest electric power producer in the United States. We're larger than Pacific Gas & Electric or Southern California Edison. If we were a corporation, we'd be a Fortune 500 corporation. It's a very large organization.

After the election and after this bill was passed, I was tired. I had had obviously a very difficult year. Mr. Miller started out in January of 1991, as the acting chairman and then became the chairman of the committee [Natural Resources Committee], and I had to replace the staff. Mr. Udall's staff had to be let go, and then I had to hire new staff. We had to move on a number of bills and investigations and things. It was a very active period, and frankly, I was kind of burned out.

I was also kind of burned out working in the Congress. As my description earlier shows, I've worked in the Congress most of my professional life--in and around the Congress. I've enjoyed it. In April of 1993, I had my fiftieth birthday, and I had had twenty

years of federal service, which meant that I qualified for the minimum retirement.

### The Bureau of Reclamation: A Personal Challenge

Beard: So I kind of reached a watershed. I really felt after the election that I wanted to make a change. I was kind of bored with the Congress, in one way. It was an exciting place, there was lots going on, but it was a lot of pressure, and I wanted to kind of do something different with my life. I really felt that I wanted to take on a personal challenge. I wanted to take on a challenge of trying to change an organization. The only organization I knew a lot about was the Bureau of Reclamation, so I decided right after the election that I wanted to get the job as commissioner of the Bureau of Reclamation. I put on a little campaign, and got a lot of people to write letters to the new president and new secretary and try to support my candidacy.

I went in for an interview with Secretary [Bruce] Babbitt, and Secretary Babbitt said, "Why do you want this job?" My wife asked me the same thing. I took a \$10,000 pay cut, and I had two kids in college. And my answer was that I really wanted a personal challenge; I wanted to change an organization. I really felt that that's all I wanted to do. I wanted to change an organization, the bureau, and then I wanted to leave. I did get the job. Secretary Babbitt said, "Well, I think it ought to change too," and as I told him, I said, "Listen, if you hire me, I'm going to do it, so if you don't want to do it, don't hire me. I've got a good job and I can just keep it. It's not like I need the work."

He said, "No, I do want to change it, and I think you'd be the right person to do it," and I've gone ahead and done that.

### Restructuring the Bureau to Meet the Changes in its Purpose

Chall: And what have you done?

Beard: Well, we launched an employee-led change process to restructure the organization from top to bottom.

Chall: Downsize it?

Beard: Today we have a workforce that is 20 percent smaller than it was just two years ago, and at the end of this year, another 5 percent of our employees have agreed to leave. So one out of every five workers, and at the end of this year one out of every four workers, will have left the organization. Our budget requests are \$100 million less than they were two years ago, which is about 20 percent of our budget, or 17 percent of our budget. We have restructured every office, we have delegated authority. I abolished the seven highest positions in the organization underneath me. I had two deputy commissioners and five assistant commissioners, and I abolished all seven of those jobs. We've taken a lot of the day-to-day decision-making authority away from people in the central headquarters and sent it out to the field, so that in management parlance, we've empowered our field organizations to make decisions.

Chall: You left the field offices about the same as they were?

Beard: No. I've sent people from the headquarters, regional offices, and from our Denver office out to the field, and I've completely restructured that. I took our Denver operation, which was sort of a pseudo-headquarters--Washington was always the headquarters, but one-quarter of all our employees were in Denver. That's where all the design work was done, and we'd centralized most of our management functions there about eight years ago. I abolished the Denver headquarters concept, and instead, we've made it a reimbursable service center that works with the rest of the organization.

We've instituted a wide variety of innovative management approaches, and we've been very successful at implementing that. It was all done by our employees, with my support and encouragement. My only job was to say, "Yeah, go ahead, let's do it," and work on much of the public affairs angles of it and the congressional affairs. We recently were awarded \$100,000--well, we will in October be given a \$100,000 award by the Ford Foundation at Harvard University. It's called the Innovations in American Government Award, and it's handed out to fifteen government agencies or programs that do innovative things, and we're one of the recipients for this year.

So we're very proud of that. We're very proud. We now have the reputation in the federal workforce as being one of the most innovative agencies, and one of the few agencies that has actually downsized itself, restructured and refocused itself, and gotten rid of a lot of middle management layers. We have eliminated at least two layers of management in our organization, and we've done all this in the last two years. That's what I've spent a lot of my time doing.

Chall: These people, were they civil servants?

Beard: Yes.

Chall: Wasn't there a crying need for restructuring just because the bureau's purpose has changed over the years?

Beard: Yes.

Chall: And they weren't catching up in their administrative arrangement with the change in the purpose of the bureau. Was that part of the problem?

Beard: That's the fundamental problem. I mean, the problem is that the Bureau of Reclamation was conceived and had a ninety-year history as a construction agency, but the construction program has ended. The dam-building era in the United States is now over. And all the employees knew that, and they wanted desperately to have somebody come in and say, "Okay, it's over. Now we're going to do something different." And they didn't quite know what to do.

Well, when I came in, I said, "The dam-building era is over, we're going to get out of the construction business. We're going to become a water resource management agency. We're going to manage the infrastructure that we have in place in a more sensitive and environmentally benign way, I hope, but we're going to be water resource managers, as opposed to water project constructors." And that's a significant difference.

One of the reasons why we were able to be successful in this change was that the agency was ready for it. I literally had people who were sitting around with no work to do.

Chall: I would have guessed.

Beard: Yes. Oh, they were very frustrated, and frankly, they were not happy employees. People were really frustrated. All these changes did not come about without opposition. There were a lot of people who were opposed to them. But there were a larger number who were very supportive. Again, we got very lucky in the middle of this effort when the Congress passed legislation authorizing early buyout. So anybody that had twenty years of service and was fifty years of age or older was eligible to retire, and could get a bonus of \$25,000. So about 80 percent of the people who left took advantage of that.

Now, one of the reasons they took advantage is that we actually had a very disproportionately aged workforce. When I came in May of 1993, one-third of all the people who worked at

Reclamation were fifty years of age or older, and one-third were between forty and fifty. So that meant that two-thirds of my workforce had been there a minimum of fifteen years. It was a disproportionately older workforce. I had sections in Denver that hadn't had a new employee in fifteen years. For fifteen years, the same people had been doing the same thing with each other. For fifteen years.

Well, at some point, you need some new stimulus, and it was a tragedy, what was happening. So we came in and we sort of restructured everything, and then a lot of people said, "Hey, I've been through this before, I'm not going to go through this again. I'm going to retire and take this money and leave." And they did leave. We have restructured the organization, it is different, it has a different attitude and outlook--

Chall: Different types of training for the people who are in there now, if you're going from building engineers to water management? Are they people with different backgrounds?

Beard: Oh, yes. We have a lot more limnologists and biologists and fisheries experts now than we ever had in the past. We're hiring fewer civil engineers. I had to be very careful as we did this, because one of the great traditions with the Bureau of Reclamation, one of the reasons it's been a fantastic agency, is that it has a history of being an agency filled with people who do things. If you've ever been to Hoover Dam or Grand Coulee Dam or Shasta Dam and looked at them, you've probably said to yourself, How could somebody think of this? I mean, not only think of it, but do it? That takes--

Chall: Skill.

Beard: Yes, it's amazing. Well, in fact, those people, the kind of people that did that, are still there in the organization. Now, they can't do that any more, and the trick has been to make sure that we channel their energies and their efforts in a direction where they would do things like that and become aggressive in implementing the new agenda, new items.

And probably the flagship of sort of new things was the Central Valley Project Improvement Act, where Roger Patterson and the people in Sacramento have literally thrown themselves into this effort. There are over 100 separate items in that bill that people in reclamation have been working on, everything from a programmatic environmental impact statement to contract negotiations to you name it, fisheries-- Everything. So you have all this activity taking place and all these people working on it, and it's amazing to me that reclamation employees are still focused on the end objective.

They want to get through all this stuff so that they can keep moving forward. A lot of agencies, the Fish and Wildlife Service is one good example, they become fixated on the process, not the end objective. They get into these sort of paperwork loops where they just keep doing paperwork and never come to any conclusion.

Our folks, fortunately or unfortunately, are more interested in coming to conclusions and getting things done, and that's a tradition I've wanted to try to keep as we went through this restructuring and downsizing process.

#### The \$100,000 Ford Foundation-Harvard University Grant

Chall: And what is the focus of the grant that you're about to get? That's a study, apparently?

Beard: No. We went in and made a presentation to the Ford Foundation and Harvard University, a panel of people, judges, and said, "This is what we did, and this is how we did it," and they gave us essentially \$100,000 award for the accomplishments that we achieved.

Chall: Well, that's unusual for a private foundation to be giving government--

Beard: Yes. Well, they started this program in the early 1980s, when President Reagan said that we ought to move things back down to state and local government levels. Ford Foundation and Harvard felt that they needed to encourage sort of innovative government approaches by the state and local governments, so they started this program of rewarding state and local government programs and efforts that were innovative. This year was the first year that they allowed federal agencies to participate, and there were five winners from the federal government of the \$100,000 award, and there were ten winners from the federal government that received \$20,000 awards.

Chall: What will you do with the award?

Beard: We're going to hold several workshops and conferences in cities where there are large numbers of federal employees to explain what we've done and how we've done it, and how they can do this as well, how they can initiate a process like this and move it forward.

Chall: Now, can we talk a little bit about the implementation of the CVPIA? Because I would assume that you have been involved in that.

Beard: Right.

Chall: Is this your last little trip around?

Beard: Yes, last trip to California, anyway.

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### Answering Some Charges

Chall: *The Sacramento Bee*, in an editorial on February 1, claimed that you, of course, were Miller's man, that you had temperamental outbursts, hostility toward agriculture, and oft-repeated contempt for the reclamation program. "It's not just agribusiness that's come in for his scorn. He's been equally abusive toward environmentalists at times. But while environmental leaders privately express doubts about his commitment to serious reform of the reclamation program, they are afraid to oppose Miller, who is using his power as chair of the House Interior Committee to pressure them into supporting Beard's candidacy. As one puts it--anonymously--they feel 'obligated' to endorse him."<sup>1</sup>

However, in June, as you announced your resignation, Calvin Dooley said, "He wasn't the nightmare some of us thought he was going to be."<sup>2</sup>

So you came in with some hostility toward you in California?

Beard: Yes, but I think I need to address that.

Chall: Yes, of course.

Beard: First of all, the editorial is written by Bill Kahrl, and second of all, I've never in my life ever met Bill Kahrl. So how he can say that I have a personality which is prone to temperamental outbursts is beyond me. He said some other things about me: I was petulant and some other things like that, all of which were really fascinating, especially to my wife, who I've been married to for twenty-eight years. I've never seen her so upset at anything.

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<sup>1</sup>"Miller's Man at Reclamation?", *The Sacramento Bee*, February 1, 1993, p. B12.

<sup>2</sup>*The Oakland Tribune*, June 13, 1995.

I was fascinated by the editorial, because it really ascribed to me a lot of personality characteristics which, first of all, I don't have, but second of all, I don't know how anybody who's an editorial writer would know, if they've never met me, or ever dealt with me, know that I have such personality characteristics. I guess I'm one of those that believes, and I always have felt this, that the record counts. I'm in public life. I'm a public servant. I'm a political appointee, but nevertheless, I'm paid by the taxpayers. And in public service, you have a record. Your record really speaks more than anything else. I sort of have this old adage which is, Never get into an argument with somebody that buys ink by the barrel, because they'll always outdo you.

I think that all I can say to Mr. Kahrl is I'll put my record up against anybody else. I am leaving as commissioner in another week. A reporter called me and asked me, "What's the thing you're most proud of?" I said, "Oh, without a doubt, as my tenure as commissioner, the thing I'm most proud of is that all the people who helped me get this job two years ago are still my friends, and that I can still sleep at night." And there aren't a lot of people in political life who can say that. I worked hard to get this job, but a lot of people helped me get this job. A lot of people in the environmental community, notwithstanding Mr. Kahrl, really worked hard to help me get the job, and they're still my friends. I still enjoy a good working relationship with them, and I haven't abandoned my own core principles.

I haven't been indicted for scandalous behavior either, or unethical behavior. So I walk away from this in many respects with a sense of pride, because I was true to my principles and my friends, and I conducted myself, I think, in such a way that I could manage one of the largest corporations in America, and bring it through a significant change process. Vice President [Al] Gore gave us an award [Golden Hammer Award] and was very complimentary, in fact came over and personally gave me the award. Harvard University and the Ford Foundation have given us an award for what we did, and even more so than that, the employees of the organization support what we did.

So I don't have any qualms about my record. I'm a public employee, I'm a public servant. I understand that. I worked for a congressman, and have now worked for a president and a secretary, and my job is to do what they ask me to do, not what I wanted to do, not what I personally wanted to do. Bill Kahrl and others ascribe to me certain positions, such as I'm anti-agriculture. Well, I'm not. Now, George Miller was, and I worked for him, and I love George Miller, but I don't agree with him on that. But you get tagged with the people who you work for. But that's just part

of the game, and I don't mind that. That sort of comes with the territory.

Chall: That's right. You say George Miller is truly anti-agriculture?

Beard: No.

### The Connection Between Subsidies and the Uses of Water

Chall: Not really? He was just anti-what?

Beard: Oh, I don't think he's anti-agriculture. I mean, nobody's anti-agriculture, everybody's got to eat. But I think that his view of how agriculture ought to receive water is a view that's different from theirs. Maybe that's a better way to put it. I mean, much of what we were trying to fight for, the reforms that we were trying to fight for, and the reforms that we're still trying to fight for, frankly, are really pretty simple. That is, I think, that we ought to try to eliminate the subsidies which are found throughout the federal water resource system. If you were able to eliminate the subsidies and provide water at a true cost, you would have a much more significant impact, a much more efficient system.

For example, the drought that took place between 1988 or '89 and '94 led to some absolutely startling changes in the way in which water is managed south of the Delta in California. If you go to Westlands today, there is very little cotton produced. There are a lot of almonds, high-value crops. In Westlands much of their field crops are irrigated through drip irrigation, underground drip irrigation of row crops, which is very unusual. And all of this is driven by only one thing, and that is that during that period, there was very little water, and they had to do something. What they did is that they became much more efficient in the application of water.

Now, if you go right across the street and go where the Exchange Contractors were, who never were shorted, they're just using old techniques and wasting water, with all due respect. So I have always felt that the Achilles heel of the federal reclamation program has been pricing water. What we've proven is that if you give people water for nothing, they'll waste it. I mean, it's really that simple. So if we could eliminate, or work to eliminate, many of the subsidies, what we'd do is change the use, we'd change cropping patterns, we would reduce drainage, we would correct a lot of problems.

So I have always, sort of my lifetime's work here, with George and on my own, has been to try to seek to eliminate subsidies from the federal reclamation program where possible, and to encourage the agency to operate in a much more environmentally sensitive manner. And that's been the overall objective for what I've been trying to achieve.

Chall: How about the elimination of subsidies? Are you getting very close to that?

Beard: No.

Chall: That's really a very difficult--

Beard: It's very difficult. I mean, the subsidies have been there for so many years, and they're so integral to the system that I don't want to say it's impossible to get rid of them, but it's very, very, very difficult. And there are so many subsidies. You can't get rid of them all, but you can begin to try to change the system, and that's what tiered pricing is, for example. Tiered pricing is just a way to try to bring some reality to the pricing system. I think change will come, but it will come slowly.

But we've done some very unique things. I was in Stockholm at the Stockholm Water Conference several weeks ago, which is an annual meeting where they invite people from all over the world to come and talk about a number of issues. And the Central Valley Project Improvement Act was cited on a number of occasions as one of the few instances worldwide in which we've gone back and sort of retrofitted a water project, trying to correct the environmental abuses and introduce innovative concepts, such as allocating a block of water for environmental restoration, encouraging water transfers, encouraging water conservation, encouraging pricing policies which are proactive.

And there is fairly wide agreement internationally that these are the kinds of reforms that we're going to have to make worldwide if we're going to meet world development needs long-run.

Chall: Rather than just building facilities.

Beard: Yes. I mean, the dam-building era is over in the United States as well as the rest of the world. There's going to be fewer and fewer dams built, because many of the major lending institutions, like the World Bank and the Asian Development Bank and others, are finding it more and more difficult to come up with the money, and once they do come up with the money, then there is significant opposition. And then the third thing is that there is recognition that if you do build these structures, they don't really lead to

the kind of result that you think that they will have. There are the environmental impacts associated with them; they don't contribute as much to the economy as people think. I mean, there's a lot of downsides to it, and the World Bank in particular has been very good at saying the right things. Their actions aren't the same, but they are moving in this direction.

We kind of got off the track a bit.

The CVPIA: Possible Changes by the Republican-Controlled Congress

Chall: That's all right. Tell me what's happened to your agency with the new Congress, and with the CVPIA. What's going on now? I know that we have different people now chairmen of the resources committees in the Senate and the House, and that George Miller has a small office and a small staff compared to what he used to have. There is an attempt to construct an Auburn Dam, a private buyout of the CVP, et cetera, et cetera. There are legal problems. What's going to happen? What is happening?

Beard: Well, obviously, the reform era, the era when George was head of the resources committee had ended. In 1990, as I told you before, we went to this curious position of suddenly finding ourselves in control of all the levers. Thank God we took advantage of it while we had the opportunity. I'm forever grateful that we did, because that was our window of opportunity, and we utilized it. The last, the 1994 elections swept into office the Republicans in the Congress in both the House and the Senate, and so far, they haven't been able to take advantage of their newfound power. This is their window of opportunity, and so far, they haven't been able to take advantage of it.

Chall: That's within the water sphere they haven't?

Beard: In the water sphere. And the reason that they haven't is that I think they're still so new at the process that they don't quite know what it is they should be doing. They're a little confused about the system. They'll straighten that out after another year or so.

When you look back at the history of the Central Valley Project, or any other water project, for that matter, major amendments to the enabling legislation, I mean acts of Congress, only come along about once every decade, and there's a reason for that. The reason is all the discussion that I've had today. I mean, I explained to you how many things had to line up to enable

us to move a bill forward, and frankly, we were surprised that we were able to do it.

The same works for anybody else that comes along with another piece of legislation. You have to be able to align all these things up. I mean, it's almost like a complicated jigsaw puzzle, where you have to get all the pieces to fit together, and if one piece isn't there, it doesn't work. Right now, with the '94 election, the Republicans have come in, and the farmers feel now it's payback time. Miller bested them in 1992; "By God, we're going to get payback, and we're going to get our pound of flesh, and we're going to move a Central Valley Project Improvement Reform Act," or whatever they call it, Improvement Act, "and take back some of the losses that we suffered in 1992." This is a farmer speaking.

So the Republicans have introduced that bill [H.R.2738, Central Valley Project Reform Act of 1995], got hearings held in the House, and found out that there is significant disagreement amongst all of them as to what ought to be done. So that isn't working so good.

Then they came forward with this idea that they would buy the Central Valley Project, and they were encouraged in this by the investment bankers, one of whom is a former regional director for the Bureau of Reclamation, David Houston. And they're trying to move that legislation, and frankly, that's not going to work either, because the price is laughable, and all the various elements within this project are not happy being under the thumb of--essentially under the thumb of the ag growers on the west side south of the Delta. I mean, they're the people that are pushing this concept.

And I think part of it goes back to just the inherent nature of our political system. Our political system is very complex, and it's frustrating, and there are so many checks and balances in it, so many little hoops that you have to jump through, that it's really complicated, and it takes a long time. One of the things that our system does is that it almost forces you to put together coalitions to move a bill forward. Now, by coalition I mean it forces you to--you can't do anything by yourself. You've got to get others to help you.

Our experience with the CVPIA was that it was one thing to have George Miller introduce a bill; it was another thing to get the thing enacted into law. And the way to do that was to spend a lot of time visiting southern California, San Diego, San Francisco, and meeting with the business community, meeting with

environmentalists, meeting with a lot of people, to encourage them to come on board with this whole idea of reform.

Chall: And stay on board.

Beard: And stay on board. And that was a time-consuming effort, and one that required commitment. One of the reasons that I think the current crop of politicians is having a problem is that they're not as committed to it, and they haven't had the time to invest in it yet. But who knows? We'll see. We'll see if they have the opportunity, if they're willing to stay with it, and if they can stay in control of the House of Representatives. Who knows whether or not they can.

#### Total Revision of the CVPIA Unlikely

Chall: But do you think that they could turn it right around almost to where it was--180 degrees?

Beard: No. In my view, and this is just my view, this is like toothpaste out of a tube. Once it gets out, you can't get it back. I really think that they will make some corrective actions. But they can't turn back the clock; they can't repeal all the 1992 reforms. The most controversial thing about the CVPIA, the one thing that really grates on the farmers more than anything else, is the 800,000 acre-feet. They hate it, they really hate that. I mean, when you really get down to it and you say, "What is it you really don't like about this law?", they say, "It's the 800,000 acre-feet." That's the thing that just really gets them.

Chall: I see. More than the loss of their contracts for forty years? That bothered Peltier I think. Maybe it's the loss of water to them.

Beard: Yes. See, the problem with the CVPIA and the critics, the people who are opposed to it right now, is that it's a fear of the unknown. When you talk to them and you say, "What specifically do you have a problem with?", they say, "Well, they could take our water."

Chall: It's the uncertainty.

Beard: It's the uncertainty. But they're afraid that the 800,000 acre-foot is going to mean less water for agriculture. Well, you say to them, "How do you know that?" And they say, "Well, you've got to take it from somewhere and you're going to take it from us." When

you go to them, you say, "What don't you like about the fish doubling plan?" "Well, it's going to take more water and you're going to take it from us." "Well, how do you know that? You haven't seen the plan yet, so how do you know?"

So you kind of go through all the items, and the answer in each case is that there's this fear of the unknown, and it's a deep-seated fear and frustration, and they want to change it. If we can get a couple of years experience, I think we'll have more acceptance. In the next couple of years the programmatic EIS [Environmental Impact Statement] is going to be finished, we're going to have the fish doubling plan in place, we're going to have agreement as to how the 800,000 acre-feet is going to be handled, and all of these things that are the ghosts, the bogeymen that are out there that--

Chall: Monsters.

Beard: The monsters that infuriate the farmers will no longer be unknowns. People will know what they are, it will be in black and white, and explanations will be there, and I think people will begin to understand that we can meet all those needs in a fashion that's acceptable.

Now, maybe I'm overly optimistic, but I don't think so. I think once you get rid of that fear, the driving force behind the legislation is going to begin to disappear. The problem that they're having in the Congress right now with any efforts to repeal this stuff is that nobody, and I mean nobody, in the Senate is on their team. They have virtually nobody in the Senate. Barbara Boxer is not at all interested; Dianne Feinstein wants the problem to go away; and Bill Bradley, who's still there at least for another year and a half, Bill Bradley is adamantly opposed to amending it. And even if Bradley left, a senator from South Carolina or some other state could care less about California. I mean, with all due respect.

So once again, it goes back to the problem that we had when we tried to move the legislation originally: we couldn't get anybody in the Senate to take up our little cause until Bill Bradley wandered along. Well, when Bradley leaves, it will be a problem. You wouldn't be able to move reform legislation in this environment anyway, but it's going to be a problem for them. If they want to try to roll back the reforms, they've got to have an advocate in the Senate, and they don't have one right now.

Dan Beard's Future Career Plans

Chall: Tell me where you're going from here.

Beard: Where am I going? I am currently planning on going into business as a lobbyist in Washington with a friend of mine by the name of John Freshman. He has a group called Freshman and Associates. He's been in business for fifteen years. We are going to set up Freshman and Beard, a public policy consulting firm, lobbying. That's my current plan. I plan to lobby and do consulting, and then I also want to do public speaking. I want to try to do some public speaking on management of large public organizations in the 1990s, and try to see if I can make a little money doing that. I'm also going to retire as a federal employee, so I get a small annuity.

I've had a life of public service and controversy. I've probably been involved in and around most--well, all of the major water controversies in the last twenty years in Washington, D.C., and being a lobbyist is a lot different than being the staff person sort of putting these things together. We'll have to see if I can keep myself detached from it in that way. I hope I'm mature enough.

I don't know. This is what I plan to do. I probably have a sneaking--there's something in the back of my mind that makes me think that I'll end up running some kind of organization somewhere, because it turns out I actually--notwithstanding Bill Kahrl--it turns out I'm actually pretty good.

Chall: Administration.

Beard: Well, as a leader, as somebody who can articulate a vision and encourage people to move in that direction. I don't know how I--to me it's sort of second nature, but for some reason, I seem to have that ability to lead a group of people, and I'm grateful for it.

But I kind of want a little bit of a break, frankly. This has been a very hard--this experience with reclamation has been an extremely hard one on my family.

Chall: What hasn't, over the twenty-some years? [laughing]

Beard: Well, yes, you're right, but this has been--I travel on the average two days a week in the West, so I'm on the road every week. Well, I only have seventy-five employees in Washington, and all the other employees are in the western United States, or around the world, for that matter. So it's been very difficult. I've had to be on

the road a lot, and you go out and meet a lot of people and talk to people, and it's been very hard on my family. I've been away from home a lot. I don't know, I think if I hung around home, maybe they'd get sick of me after a while, but I'd like to see if I can do that for a while.

Chall: And you wouldn't be sick of them?

Beard: No. It's very interesting, this experience. I was talking to somebody at a management forum. They were asking me what we did and how we did it, and they asked me sort of what advice I'd have, and I said, "You know, the first bit of advice I'd give somebody who was in charge and going to undertake an effort like this is to get yourself a physical fitness regime." Because the hardest thing I've had to deal with for the last two years has been the mental and physical stress of leading a change effort. I had a lot of employees who would call me up or write me notes and say, "Why don't you just shoot us and get it over with?"

And I have taken that very seriously, very personally. I've really felt very strongly that we were going in the right direction, but when somebody disagrees with you pretty strongly, you kind of--at least I felt--it was hard. That was hard.

But we'll see, we'll see what the future brings. It's odd, I woke up with my retirement--suddenly I didn't have to work. It would have been not a starvation diet but close to it, but the rent would get paid certainly, and I could mow lawns and paint houses, I guess, to make money.

Chall: That doesn't sound-- You wouldn't do that.

Beard: Well, you know, there's a certain intrigue to it. But I really found myself for the first time ever with this sort of space to fill--I had lots of different options, and I've sort of settled on this option. I hope that it works out fine.

Chall: At least you can try it.

Beard: Yes.

Chall: And when you say public policy, what public policies? Will you be mainly interested in environment and water, or could you go over to child welfare or something like that?

Beard: No, no.

Chall: You're going to stay in your own field.

Beard: No, I'm going to stay in my own field. The fellow that I'm working with has worked at EPA [Environmental Protection Agency], and his strengths really are in water pollution control, waste water, solid waste kinds of things, and my strength has been in the natural resource fields programs that the Department of the Interior has, for example. Our objective is ultimately to make money, but also to have some fun and some exciting times along the way. That's what I'm kind of looking forward to. I'm somehow trying to see if I can make some money and then have some fun at the same time. Who knows? I'll do this for four or five years, and then maybe there will be some other public career.

Chall: Oh, there will always be something.

Beard: Yes, there always is, isn't there?

Chall: Particularly if you're energetic and articulate.

Beard: I've often thought about going back to teaching, but you know, I taught for just a little while and never really got back to it.

Chall: Well, there's probably a place for people who have had the kind of experience you have to be teachers. I notice quite a number of people go from government into some of the universities around the Eastern Seaboard, teaching, particularly in Washington. Who knows? But thank you very much for the time you've given me and all this information that I needed.

Beard: Well, thank you. I really appreciate the fact that the institute [The Centers for Water and Wildlife Resources] has been willing to fund the study, or fund your efforts. I only wish you'd come along about two years ago when all this was a lot more fresh in my mind.

Chall: Oh, yes. Well, I knew that it probably wouldn't be fresh in your mind, because it couldn't possibly have been after all this time. I had a lot of information, but what I needed was to gather it together from your perspective.

Beard: Yes. Actually, you had the framework there. It isn't hard if the framework is there to sort of fill in the details.

Chall: Yes, you did that. Thank you.

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