



**STATEMENT OF
THE WATER RESOURCES COALITION
BEFORE THE
ENERGY AND WATER DEVELOPMENT SUBCOMMITTEE
HOUSE APPROPRIATIONS COMMITTEE
ON THE FISCAL YEAR 2010 BUDGETS
FOR THE U.S. ARMY CORPS OF ENGINEERS
AND U.S. BUREAU OF RECLAMATION
APRIL 3, 2009**

Mr. Chairman and Members of the Subcommittee:

The Water Resources Coalition (Coalition) appreciates the opportunity to provide its views on the budget proposals for the U.S. Army Corps of Engineers (Corps) and the U.S. Bureau of Reclamation (Bureau) for Fiscal Year 2010.

The president has proposed a budget of \$5.1 billion for the Corps in FY 2010. A detailed budget proposal for the Bureau is not yet available. In light of the nation's continuing infrastructure investment needs, the Coalition recommends an **appropriation of \$7 billion for the Corps of Engineers** and an **appropriation of \$1.3 billion for the Bureau** for FY 2010. The Coalition reserves the right to submit further testimony modifying our request following the release of the administration's detailed budget request for both agencies in FY 2010 later this year.

improve, prevent, save
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I. U.S. Army Corps of Engineers

The U.S. Army Corps of Engineers has one of the federal government's largest environmental responsibilities. The Corps provides ecosystem restoration, constructs sustainable facilities, regulates waterways and manages natural resources, and cleans up contaminated military bases.

Forty-one states, 16 state capitals and all states east of the Mississippi River are served by commercially navigable waterways. The U.S. inland waterway system consists of 12,000 miles of navigable waterways in four systems that connect with most of the states in the U.S. The entire system contains 257 locks. The waterways include the Mississippi River, the Ohio River Basin, the Gulf Intercoastal Waterway, and the Pacific Coast systems.

Three-quarters of the nation's inland waterways (9,000 miles) are within the Mississippi River system. The next largest segment is the Ohio River system (2,800 miles). The Gulf Coast Intercoastal Waterway system is 1,109 miles, and the Columbia River system is only 596 miles long, the shortest of the four major systems.

Acting in response to the present economic emergency, the Obama administration and Congress completed work on a \$787 billion emergency economic recovery package in mid-February. The American Recovery and Reinvestment Act (ARRA) provided an estimated \$100 billion in infrastructure investments designed to create jobs quickly.

The ARRA recovery package invests a total of \$4.6 billion for Corps of Engineers water resources projects that may be obligated quickly; that will result in high, immediate employment; and that will provide a useful service without additional funding. The bill authorizes the Corps of Engineers to carry out unlimited reprogramming of all funds appropriated under the Act. Together with the \$5.4 billion appropriated under the Fiscal Year 2009 continuing appropriations act, the Corps budget for FY 2009 totals approximately \$10 billion.

Because of its concern over many years of under investment in water resources programs, the Coalition supported efforts to increase the total stimulus spending package for the Corps to almost \$10 billion over two years for vital new navigation, flood control, and lock and dam projects nationwide.

In any event, ARRA directs the Corps to spend \$2 billion for construction; \$375 million for projects on the Mississippi River and tributaries; \$2.075 billion for operation and maintenance; \$25 million for investigations to carry out studies for future projects; and \$100 million for the cleanup of closed military bases under the Formerly Utilized Sites Remedial Action Program (FUSRAP).

To ensure the funds are being invested in accordance with the legislation's intent, the Corps must report to Congress quarterly on the progress of projects funded under the recovery package. The first report is due April 3, 2009.

II. U.S. Bureau of Reclamation

The Bureau operates 348 dams and reservoirs, 58 hydropower generation facilities, more than 8,000 miles of canals, more than 24,000 miles of water distribution laterals, and more than 13,000 miles of drains. ASCE notes that most of Reclamation's major dams, reservoirs, hydroelectric plants, and irrigation systems are 50 or more years old. In December 2007, the Bureau calculated that nearly 80 of the 348 dams (approximately 23 percent) are 90 to 100 years old or older.

Most of Reclamation's major dams, reservoirs, hydroelectric plants, and irrigation systems are 50 or more years old. The Bureau has identified an estimated \$3 billion in total infrastructure investment needs over the next 20 years.

The Bureau received \$1.1 billion in the FY 2009 appropriations act. ARRA provided a further \$1 billion to the Bureau for water and related resources infrastructure. There is no statutory deadline for expenditures provided under ARRA, but no project funded by the Act will be eligible for future appropriations.

The stimulus legislation appropriated \$50 million for the Central Utah Project; \$50 million for the California Bay-Delta Restoration Project; and not less than \$10 million for a bureau-wide inspection of canals program in urbanized areas.

In a like manner, the Interior Department must report to Congress quarterly on the progress of projects funded under ARRA. The first report also is due April 3, 2009.

III. Coastal Infrastructure Investment

With more than 20,000 miles of coastline, America needs a rational, comprehensive coastal policy that will protect lives, reduce property damage, enhance the environment and produce economic benefits for America.

Beaches are our levees. In too many locations, however, our beaches are being unintentionally starved of sand by ports, navigation channels, upstream dams and other man-made structures as well as by natural processes. The resulting battered beaches and withered wetlands cannot provide the effective defense we need from wave surges that accompany strong storms. Coastal restoration projects (including beach nourishment projects) must be federally funded in order to reduce the risk to lives and property – and reduce the American taxpayers' cost of storm recovery.

Beaches are also the primary economic engines that drive coastal America. Every year, there are over 2 billion visitors to the America's beaches. At a time of economic recession, the beach is an even more desirable destination than other domestic and foreign alternatives. In 2007, beaches contributed \$322 billion to the American economy and employed nearly 1 of every 10 Americans. More importantly, for every dollar the federal government spends on beach nourishment, it gets \$320 back in tax revenues. These are jobs and revenues that are unlikely to

move offshore, unless we drive them away by our inattention to the increasing threats posed by erosion.

America has already paid a steep price as a result of a national failure to adequately address our coastal needs, risks and resources. The cost of continued neglect will only grow in the coming years

Respectfully submitted,

The Water Resources Coalition

American Society of Civil Engineers, Associated General Contractors of America, Association of California Water Agencies, Coast Builders Association, American Council of Engineering Companies, Dredging Contractors of America, National Stone Sand and Gravel Association, Missouri Department of Agriculture, Texas Water Conservation Association, Upper MS, IL and MO Rivers Association, Florida Inland Navigation District, Orange County (CA) Department of Public Works, Marlowe & Company, Atlantic Intracoastal Waterway Association, Oregon Water Resources Congress, American Public Works Association, American Shore and Beach Preservation Association, Harris County (TX) Flood Control District, Everglades Trust

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The WRC was established in 2007 to promote the development, implementation and funding of a comprehensive national water resources policy. Our organizations represent state and local governments, conservation, engineering and construction, ports, waterways, and transportation services. The Coalition works to ensure that a comprehensive national water-resources policy is developed, implemented, and funded to provide a sustainable, productive economy; a healthy aquatic ecology; and public health and safety.

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