

**ENERGY AND WATER DEVELOPMENT  
APPROPRIATIONS FOR FISCAL YEAR 2016**

**WEDNESDAY, FEBRUARY 11, 2015**

U.S. SENATE,  
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,  
*Washington, DC.*

The subcommittee met at 2:28 p.m., in room SD-192, Dirksen Senate Office Building, Hon. Lamar Alexander (chairman) presiding.

Present: Senators Alexander, Cochran, Collins, Murkowski, Graham, Hoeven, Lankford, Feinstein, Tester, Udall, Merkley, and Coons.

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

**STATEMENT OF HON. THOMAS P. BOSTICK, LIEUTENANT GENERAL,  
COMMANDER**

OPENING STATEMENT OF SENATOR LAMAR ALEXANDER

Senator ALEXANDER. The Subcommittee on Energy and Water Development will please come to order.

This is the first hearing, not just of our subcommittee, but of the entire Appropriations Committee.

How is that, Senator Feinstein? So we are the early birds.

I want to say at the outset what a privilege it has been to work with the Senator from California over the last few years when she has been chairman and I have been the ranking member. Our seats have switched, but the relationship hasn't changed. And I look forward to treating her with at least as much courtesy as she has always treated me. I am going to see if I can outdo her, because it is a treat to work with somebody who is capable of making a decision, expressing herself well, and easy to work with.

So, Senator Feinstein, I look forward to our continued good relationship.

This morning, we are having a hearing to review the President's fiscal year 2016 funding request and budget justification for the U.S. Army Corps of Engineers and the Bureau of Reclamation, which is part of the Department of the Interior. Senator Feinstein and I will each have an opening statement, and then each Senator may have up to 5 minutes for a statement in the order in which they arrived.

Senator Graham has let me know that he has a 3 o'clock hearing, so if the Senators don't mind, I will try to work him in before 3 o'clock, as a courtesy to him.

We will then turn to the witnesses for their testimony. Each witness will have 5 minutes. We would appreciate you summarizing your testimony in that time. We will include their full statements in the record. Then Senators will be recognized for 5 minutes of questions in the order in which they arrived.

I want to thank the witnesses for being here today, and thank Senator Feinstein for working with me on this.

Our witnesses include Jo-Ellen Darcy, the Assistant Secretary of the Army for Civil Works. Welcome, Secretary Darcy.

Estevan López, Commissioner for the Bureau of Reclamation. Mr. López, welcome.

Jennifer Gimbel, Principal Deputy Assistant Secretary for Water and Science for the Department of Interior. That is a long title. Nice to see you.

And Lieutenant General Thomas P. Bostick, Chief of Engineers for the U.S. Army Corps of Engineers. We welcome you.

Governing is about setting priorities, and unfortunately, the President's budget request for these agencies shows a failure to do so, in my opinion.

The overall budget proposes spending that exceeds the budget caps established by the Budget Control Act of 2011 by about \$74 billion. One of the priorities the President often speaks about is our Nation's infrastructure. Yet despite all the proposed new spending and all that talk, this proposal cuts the Corps' budget by \$751 million, or 14 percent below last year's actual spending level.

This budget proposes cutting the Corps' funding to the actual level of spending in 2007. We are literally moving backward on an agency that is crucial to maintaining our country's infrastructure.

The reason this is such a problem is that the U.S. Army Corps of Engineers touches the lives of almost every American. The Corps maintains our inland waterways. It deepens and keeps our ports open. It looks after many of our recreational waters and land. It manages the river levels to prevent flooding. Its dams provide emission-free, renewable, hydroelectric energy.

All of these activities attract the intense interest of the American people and of their United States Senators.

I can recall when I was a member of the Environment and Public Works Committee, after a flooding of the Missouri and Mississippi rivers 4 years ago, a whole room full of Senators showed up to ask for more money to deal with what went wrong and what went right on the disaster relief efforts. So there is a real interest in these proposals.

The reality is that for all the Corps does, there are many things it could do better, and setting priorities in our spending is one way to better invest taxpayer dollars.

An important example of the administration's failure to set priorities in my home State of Tennessee is the lack of funds in the President's budget request to restart replacement of Chickamauga Lock. Congress has done its job over the last 3 years to move ahead promptly on replacing Chickamauga Lock, and it is disappointing that the administration has failed to do its job.

Here is what we have done. Congress, first, passed a law that reduced the amount of money that comes from the Inland Waterways Trust Fund to replace Olmsted Lock, a project in Illinois and Kentucky that was soaking up almost all of the money that is available for inland waterway projects.

Second, Congress worked with the commercial waterways industry to establish a priority list for projects that needed to be funded, on which Chickamauga Lock ranks near the top, in fourth place.

And third, just this past year, working together, we enacted a user fee increase that commercial barge owners asked to pay in order to provide more money to replace locks and dams across the country, including Chickamauga Lock.

These are three extremely important steps to give our country the inland waterways that we need. These three things taken together should make it possible for the Corps of Engineers to move rapidly to begin to replace Chickamauga Lock.

The problem with Chickamauga Lock is it is made of aging concrete. It could fail if we don't replace it. In fact, in October of last year, the lock was closed for several days. It was closed to all navigation traffic for emergency repairs after an inspection revealed cracks in the concrete.

The project is not just important to Chattanooga, but to all of eastern Tennessee because of the number of jobs affected. We are almost out of time for a solution. The lock could close in a few years unless progress is made.

That would throw 150,000 trucks on Interstate 75. It would increase the cost of shipping to Oak Ridge, to the national laboratory, and to the weapons areas, and to manufacturers across the State.

So you can see how Chickamauga Lock, and other projects like it across the country, ought to be a priority, and why the Corps' budget should make it a priority.

In addition to the Corps, we fund the Bureau of Reclamation. The Bureau of Reclamation delivers water to one in five Western farmers, irrigating 10 million acres of some of the most productive agricultural land in the world.

I would note that this is the first time that Commissioner López and Secretary Gimbel have appeared before this subcommittee, and we welcome them both.

Without the infrastructure that these two agencies provide, our Nation would be vastly different. With that in mind, we are here today to discuss the administration's fiscal year 2016 budget request for both agencies. I will look forward to the testimony.

Before I turn to Senator Feinstein for her statement, I would like to note that this is Roger Cockrell's last hearing, at least the last one he will attend in his capacity with us as a staff member of the Appropriations Committee. He is retiring at the end of the month, and we are going to miss him.

For the past 14 budget cycles, Senators on the subcommittee, whether Republicans or Democrats, have been well served by Roger's expertise on both the Corps of Engineers and the Bureau of Reclamation. It is hard to think of anybody inside or outside Washington who matches Roger in knowledge or experience. It is hard to think of a water resources bill that has not benefited from his guidance.

So, Roger, on behalf of the subcommittee, I wish to thank you for your service over these many years and to wish you and your family the best in your retirement.

[The statement follows:]

PREPARED STATEMENT OF SENATOR LAMAR ALEXANDER

I would like to thank our witnesses for being here today, and also Senator Feinstein, who I will be working with on the appropriations bill that this subcommittee considers.

Our witnesses today include:

—Jo-Ellen Darcy, Assistant Secretary of the Army for Civil Works

—Lieutenant General Thomas P. Bostick, Chief of Engineers for the U.S. Army Corps of Engineers

—Estevan López, Commissioner for the Bureau of Reclamation

—Jennifer Gimbel, Principal Deputy Assistant Secretary for Water and Science for the Department of Interior

This is my first budget hearing as chairman of the Appropriations Subcommittee on Energy & Water Development.

Governing is about setting priorities, and unfortunately, the president's budget request for these agencies shows a failure to do so.

The president's overall budget proposes spending that exceeds the budget caps established by the Budget Control Act of 2011 by about \$74 billion. One of the priorities he speaks about often is our Nation's infrastructure.

Yet despite all that proposed new spending and all that talk, this proposal cuts the Corps' budget by \$751 million, or about 14 percent below last year's actual spending level. This budget proposes cutting the Corps' funding to the actual level of spending in 2007—we are literally moving backward, on an agency that is crucial to maintaining our country's infrastructure.

The reason this is such a problem is that the U.S. Army Corps of Engineers touches the lives of all Americans. The Corps maintains our inland waterways, keeps our ports open, looks after many of our recreational waters and land, manages the river levels to prevent flooding, and its dams provide emission-free, renewable hydroelectric energy.

All of these activities attract the intense interest of the American people, and of their United States Senators. I can recall when, after the flooding of the Missouri and Mississippi rivers 4 years ago, eight Senators showed up at a Senate Environment and Public Works Committee hearing to discuss what went right and what went wrong with disaster relief efforts.

The reality is that for all the Corps does there are many things it could do better, and setting priorities in our spending is one way to better invest taxpayer dollars.

An important example of the administration's failure to set priorities is in my home State of Tennessee: the lack of any funds in the president's budget request to restart replacement of Chickamauga Lock. Congress has done its job to move ahead promptly on replacing Chickamauga Lock, and it's disappointing the Obama administration has failed to do its job.

First, Congress passed a law that reduced the amount of money that comes from the Inland Waterways Trust Fund to replace Olmsted Lock, a project in Illinois and Kentucky that was soaking up almost all of the money that is available for inland waterway projects. Second, we worked with the commercial waterways industry to establish a priority list for projects that needed to be funded, on which Chickamauga ranks near the top, in fourth place. And third, just this past year we enacted a user fee increase that commercial barge owners asked to pay in order to provide additional funds to replace locks and dams across the country, including Chickamauga Lock.

Those three things taken together should make it possible for the Corps of Engineers to move rapidly to begin to replace Chickamauga Lock. The problem with Chickamauga Lock is it's made of aging concrete and could fail if we don't replace it. In fact, in October of last year, the lock was closed for several days to all navigation traffic for emergency repairs after an inspection revealed cracks in the concrete.

This project is important not just to Chattanooga, but to all of East Tennessee because of the number of jobs affected. We are almost out of time for a solution—the lock could close in a few years unless progress is made, throwing 150,000 trucks on I-75 and increasing the cost of shipping goods for Oak Ridge, Y-12, and manufacturers across the State.

So you can see how Chickamauga Lock—and other projects like it across the country—ought to be a priority, and why the Corps' budget should be a priority.

In addition to the Corps, we fund the Bureau of Reclamation.

The Bureau of Reclamation delivers water to one in five Western farmers, irrigating 10 million acres of some of the most productive agricultural land in the world.

I would note that this is the first time that Commissioner Lopez and Secretary Gimbel have appeared before this subcommittee, and we welcome them.

Without the infrastructure that these two agencies provide, our Nation would be vastly 2016 budget request for these two agencies. I'll look forward to the testimony of our witnesses, but first would like to hear from our subcommittee's ranking member, Senator Feinstein.

Senator ALEXANDER. Now, Senator Feinstein.

STATEMENT OF SENATOR DIANNE FEINSTEIN

Senator FEINSTEIN. Thank you very much, Mr. Chairman.

I just want to begin by saying what a sincere pleasure it has been for me to work with you. I had the same relationship with Senator Chambliss on Intelligence. Regardless of who is in your seat today, I really believe we are a good working team. Where we disagree, we work it out. Where we come together, I think the Nation is better for it.

So it has been a really great pleasure for me to work with you. I look forward to being ranking member on your subcommittee. I look forward to our getting our nuclear waste bill done that we have worked for 4 years now, put together with Lisa Murkowski, and then Jeff Bingaman, and then Jeff left and it was Wyden, and then Mary Landrieu, and now Maria Cantwell. That has been a very high priority for me and I know it is for you, too.

So it has been a very good relationship, and I really appreciate it. I want you to know that.

Senator ALEXANDER. Thank you.

Senator FEINSTEIN. If I could just say a word about Roger, too. I think you said it all, Mr. Chairman. But he joined the committee in 2003. He had a 23-year career with the Army Corps of Engineers' Vicksburg District. He has worked on 14 successive Energy and Water appropriations bills. He was involved in supporting critical national projects like the restoration of the Everglades. And I think most importantly, he has detailed knowledge of the appropriations process and the budgets of both the Corps and the bureau. And he was instrumental in shaping the Federal Government's response to hurricanes Katrina and Sandy.

He has been a tremendous resource for me personally. And, actually, there is no one I would trust more than Roger Cockrell when it came to this particular budget.

So, Roger, I am really so sorry that you are leaving. Our side is, and it is great to know the other side is as well. We all want to wish you the very, very best. So thank you so much.

Okay, Mr. Chairman, I very much agree with you about your comments on the budget. I found it very surprising that there was a 13.8 percent drop in the Corps' budget and a 2.2 percent drop in Reclamation's budget.

Candidly, it is really not acceptable when we consider all of the water resource needs our Nation faces. It is particularly troubling when there is such a big push for infrastructure spending elsewhere in the administration's budget. I don't know how they came to leave this out here, unless they knew that we were all pas-

sionate about it and we would probably put the money back here, at least that is kind of what I hope we do.

As I often say, the work these agencies do affects more people on a daily basis than anything else in this bill. So I am a big fan of both of your agencies.

You are responsible for improving our flood protection systems, maintaining and improving navigation channels and ports, providing ecosystem restoration, and perhaps most importantly, providing water for irrigation and municipal and industrial purposes.

It is clear that in order to maintain and modernize our existing infrastructure to meet 21st century demands, we need sufficient budgets to accomplish real benefit. This budget, regretfully, does not do this.

The ports and channels handled by the Corps handled more than 2.3 billion tons of cargo. Flood control infrastructure owned or managed by the Corps prevents more than \$36 billion in annual damages. And Corps recreation facilities serve more than 370 million visitors each year. Most people don't know that, that the Army Corps of Engineers runs these recreation facilities.

So I think we need to help with this shoestring budget. I am concerned that your budgets have been so tight for so long. We talked about Chickamauga. Well, in my State I would talk about the California drought.

We are in the fourth year of the worst drought. We've got wells running dry. We have people unable to have drinking water or bathing water. We have about 800,000 acres of land that is being fallowed because farmers can't plant.

I must say that Reclamation has just been a tremendous help to us in that regard, by working to run the systems, to work with the State system, run both systems much more efficiently. We need to keep this up.

What I am here to say is that I intend to work in every way possible to be cooperative with the chairman and try to do those things that can improve the situation for all of the States that are represented here.

So I thank you, Mr. Chairman. That really completes my remarks.

Senator ALEXANDER. Thank you, Senator Feinstein.

We have a tradition in the subcommittee of giving the Senators who are here an opportunity to make opening statements, if they would like, up to 5 minutes. We will do it back and forth in order of arrival. We will begin with Senator Cochran.

#### STATEMENT OF SENATOR THAD COCHRAN

Senator COCHRAN. Mr. Chairman, thank you for the opportunity of questioning our witnesses here today and to join you in welcoming them to our hearing. I have prepared an opening statement for the subcommittee's hearing. I will ask unanimous consent that statement be printed at this point in the record, and I will reserve my questions until the regular order.

[The statement follows:]

## PREPARED STATEMENT OF SENATOR THAD COCHRAN

Mr. Chairman, thank you for convening this hearing to review the President's fiscal year 2016 Budget request for the U.S. Army, Corps of Engineers and the Bureau of Reclamation. I appreciate the good work conducted by these agencies, and I look forward to learning more about their fiscal year 2016 funding needs.

The activities carried out by the Army Corps help provide our country with the basic necessities to survive and prosper. Its civil works responsibilities support initiatives focused on navigation and waterborne commerce, flood prevention and storm damage reduction, environmental restoration, among other important activities. Without adequate funding, the Corps cannot perform these functions effectively, which would result in greater risk of catastrophic flooding and adverse impacts on our Nation's economy.

Today I look forward to engaging in meaningful discussion with our distinguished members of the panel, because I have deep concerns with various aspects of the President's fiscal year 2016 Civil Works request. As Chairman of the Senate Appropriations Committee, I am aware of the challenges associated with outlining funding for all of the executive departments and independent agencies within the Federal Government. However, we cannot lose sight of the important work performed by the Army Corps and their responsibilities to the Nation.

The funding levels proposed by the administration for all of the Corps important infrastructure accounts—Investigations, Construction, Operation & Maintenance, and Mississippi River & Tributaries (MR&T)—are far below the levels provided by Congress in the recently enacted fiscal year 2015 Omnibus appropriations bill. On the other hand, the President's budget requests increases for the Corps' regulatory programs and agency expenses, which is again cause for concern. Considering the President's comprehensive budget is expected to exceed the caps for discretionary spending set by the Budget Control Act of 2011 by \$74 billion, I question the level of priority this administration is placing on our Nation's critical infrastructure.

Going forward, one of the most pressing issues this subcommittee must address pertains to the President's request for the Mississippi River & Tributaries (MR&T) project, which reflects neither the need nor the importance of this valuable flood control program. For fiscal year 2016, the administration has requested \$225 million for MR&T, which is far below the amount Congress had annually provided over the last 30 years.

In light of my concerns about the Corps Civil Works budget, I am pleased to have the opportunity to discuss these important matters so they can be addressed in the appropriations process. These hearings are designed for that specific purpose, and I am confident that our subcommittee will benefit from the valuable insight provided today by Lieutenant General Bostick and Assistant Secretary Darcy.

I appreciate today's witnesses appearing before this subcommittee, and I look forward to hearing their testimony.

Senator ALEXANDER. Thank you, Senator Cochran. It will be included.

Next, Senator Merkley.

## STATEMENT OF SENATOR JEFF MERKLEY

Senator MERKLEY. Thank you very much, Mr. Chairman. This is the first hearing of the subcommittee that I have been a part of as a new member, so I am delighted to join the subcommittee on these issues of energy and water and, of course, today, particularly water.

The Army Corps of Engineers and Bureau of Reclamation, these organizations reverberate in so many issues that we encounter in Oregon. So I look forward to hearing their testimony and exploring ways that we can maximize the effectiveness of their good work on the ground. Thank you very much.

Senator ALEXANDER. Thank you, Senator Merkley.

Senator Udall.

## STATEMENT OF SENATOR TOM UDALL

Senator UDALL. Thank you very much, Chairman Alexander. I am back on the subcommittee, and I look forward to it. I know that you and Senator Feinstein work very well together, and I look forward to being a part of that team. I really appreciate your good bipartisan work.

I want to take a minute to congratulate Commissioner Estevan López, the new Commissioner of the Bureau of Reclamation. Estevan is a native New Mexican. We are proud of him and pleased to have him represent our State in such an important leadership role.

I want to welcome you to your first hearing as Commissioner before this subcommittee.

Commissioner López understands the issues that are critically important to the West. He has more than 20 years of experience in water management policy. We really look forward to working with you on those issues.

As you all know, issues of drought and future water supply are critically important to the State of New Mexico. Climate change and prolonged drought have meant devastating wildfires. Extreme weather events alter our watersheds. Competing interests from municipalities, agriculture, wildlife, and industry strain our limited water resources.

Programs that help provide sustainable water management are crucial and need to be adequately funded. I am pleased to see the President's budget has highlighted some of these priorities to ensure support for important tribal water settlements and grant programs, for instance, programs like WaterSMART, which promotes public-private partnerships for much-needed infrastructure funding.

I intend to work my colleagues to make sure that this program and others like it have the resources they need.

With that, I look forward to hearing from today's witnesses and yield back the balance of my time, Mr. Chairman.

Senator ALEXANDER. Thank you, Senator Udall. Welcome to the subcommittee. Welcome back.

And, Senator Merkley, welcome to you.

Senator Tester.

## STATEMENT OF SENATOR JON TESTER

Senator TESTER. I want to echo the statements of many of the subcommittee participants in thanking Chairman Alexander and Ranking Member Feinstein for your ability to work together and your common-sense approach to everything in the Senate, but especially this issue, water resources. It is very, very important, and I want to thank the panelists for being here.

I just stepped in, I sat down, and I drink this water. I did not think one thing about it. I just assumed that it would be here, not a problem. And that is part of the problem. The fact is that good water resources take planning and dollars, because you have to have the infrastructure to support it. That is your job, and it is our job to make sure you have the tools and the resources to be able

to do your job and do it right. Everything from agriculture to recreation to just the basic necessities of life is water.

I look forward to working with everybody at the table today and a whole lot of other folks to make sure that we have the water infrastructure in this country to meet the needs of a 21st century United States of America. So thank you all for your work.

Senator ALEXANDER. Thank you, Senator Tester.

Senator Collins and Graham, we want to give each of you a chance to make an opening statement.

Senator Graham, you have a hearing at 3 p.m.?

Senator GRAHAM. Yes, Mr. Chairman. We are doing the pay and benefits reform commission.

Senator ALEXANDER. Senator Collins, would you mind?

We will go to Senator Graham and then Senator Collins.

Senator GRAHAM. This is an opening statement?

Senator ALEXANDER. Yes.

#### STATEMENT OF SENATOR LINDSEY GRAHAM

Senator GRAHAM. I thank you for coming.

Roger, you will be missed. You have done an incredible job for a long period of time.

To our witnesses, you have been great working with Charleston and other areas important to South Carolina. I will come back and ask you questions about the Port of Charleston.

As to the committee, I hope we can find a way to fix sequestration. You cannot get there from here. Anything and everything should be on the table. The projects we need as a Nation are enormous; the money is insufficient. If we do not fix sequestration, we are going to run into infrastructure nightmares all over the country.

I cannot think of a better duo to do this than our chairman and ranking member.

Senator ALEXANDER. We will count on you to be the platoon leader.

Lindsey, I think we may have a vote around 3:45 or 4:00, but we will arrange to give every Senator an opportunity to ask the questions you want to ask of the witnesses, even if votes come in the middle of it.

Senator Collins.

#### STATEMENT OF SENATOR SUSAN M. COLLINS

Senator COLLINS. Thank you very much, Mr. Chairman. I want to thank you and the ranking member for holding this hearing today to review the fiscal year 2016 budget submissions for the Army Corps of Engineers and the Bureau of Reclamation.

The Army Corps projects are particularly important in my State, and they play such an important role in local economies. There is an ongoing need to address the maintenance backlog and to ensure that our ports and harbors are properly maintained.

A great example of that for which I want to thank the Army Corps is the cooperative work that it did with the town of Yarmouth this past fall to dredge the Royal River. The river was gradually filling up to the point where it threatened the survival

of the marina that was located there and would have affected the economy of the region.

The Army Corps worked very closely with the town, both financially and in the timing, and I really appreciate that project being done.

I also want to salute the efforts of the chairman and ranking member for working with me and other members of the subcommittee last year to include the \$42.5 million for operation and maintenance at small, remote, or subsistence navigation harbors and waterways.

In a State like mine, with an extensive coastline, those small harbors are just as critical to the coastal communities as large, better-known harbors are in this country. They are truly the economic lifeblood for many small and rural communities. And the funding for their maintenance dredging is critically important.

Sometimes that is not fully accounted for under the Corps' budget metrics, which tend to favor larger ports. That is why the money that has been set aside in recent years is so important.

I am extremely pleased to learn that the Corps' business fiscal year 2015 work plan includes \$2.9 million for maintenance dredging at Beals Harbor in Maine, and \$1.2 million for Pig Island Gut—that probably doesn't trippingly come off the tongues of many here—which is also in the Beals area. If all goes well, those projects, which are absolutely essential, will begin this fall.

Finally, I want to associate myself with the comments made by the chair and ranking member about the cuts to the Army Corps budget. The cuts are deep. The needs are great. And I hope we can work together to try to narrow the gap.

Thank you very much, Mr. Chairman.

Senator ALEXANDER. Thank you, Senator Collins.

Senator Lankford, each of the Senators has made a short opening statement. You are welcome to make one too, if you would like to do that.

Senator LANKFORD. Why don't I just submit one for the record, so we can get on with the testimony?

Senator ALEXANDER. Thank you, Senator Lankford.

We will move on to the testimony. I have introduced the witnesses, so, General Bostick, why don't we begin with you and then go right down the line? If each of you would summarize your remarks in about 5 minutes, we would appreciate it.

#### SUMMARY STATEMENT OF LIEUTENANT GENERAL THOMAS P. BOSTICK

General BOSTICK. Thank you, Mr. Chairman and members of the subcommittee. I am honored to testify before your subcommittee today along with the Honorable Jo-Ellen Darcy on the President's fiscal year 2016 budget for the Civil Works Program of the United States Army Corps of Engineers.

This is my third time to testify before the subcommittee on the civil works budget. Thank you for your support in the past, and I look forward to your continuing efforts together in the future.

I have been in command for nearly 3 years, and I would like to provide a brief update on our four campaign goals, which drive the organization.

First, support to national security. The Corps supports the national security of the United States. We continue to work in more than 110 countries using our civil works and military missions, water resources, and research and development expertise to support our Nation's combatant commanders. Army Corps employees, both military and civilian from all across the Nation, have volunteered and continue to volunteer to provide critical support to our military and for humanitarian missions abroad.

Second, transform civil works. Civil works transformation focuses on four broad areas. First, we are modernizing the project planning process. Second, we're enhancing the budget development process through a systems-oriented approach that includes significant collaboration. Third, we are developing an infrastructure strategy to evaluate the current inventory of projects that will help identify priorities and develop better solutions to water resources challenges. And fourth, we're improving methods of delivery, to produce and deliver sound decisions, products, and services that will improve the ways in which we manage and use our water resources.

Since the inception of civil works transformation in 2008, 42 chief's reports have been completed. During that 7-year period, 13 chief's reports were completed in the first 4 years and 29 chief's reports were completed in the last 3. This is clear evidence that we are learning and becoming more efficient in our processes.

In our third campaign plan goal, we must continue to be proactive and develop improved strategies to reduce disaster risks, as well as respond to natural disasters when they do occur. I continue to be very impressed at the work of the Army Corps of Engineers in this area.

One great example of this proficiency is with Hurricane Sandy recovery work. The flood control and coastal emergency program is over 95 percent complete. The Sandy operations and maintenance program is over 70 percent complete and on schedule to be 100 percent complete by the end of 2016.

I am pleased to highlight that the Army submitted the North Atlantic Coast Comprehensive Study on schedule to Congress and the American people on 28 January 2015.

And our fourth goal is to prepare for tomorrow. This is about our people, ensuring that we have a pipeline of talented military and civilian teammates as well as a strong workforce development and talent management program.

Equally important is helping the Nation's wounded warriors and soldiers transition out of Active Duty to find fulfilling careers. Last year, we set a goal to assist 125 transitioning wounded warriors, and we exceeded that goal by more than 50 percent. Nearly 200 wounded warriors found permanent positions within the Corps and other organizations.

We are also focused on research and development efforts that will help some of the Nation's toughest challenges.

Mr. Chairman, I ask that you and other members refer to my complete written testimony submitted to the subcommittee for the fiscal year 2016 budget for specifics.

Thank you again for this opportunity. I look forward to your questions.

[The statement follows:]

## PREPARED STATEMENT OF LIEUTENANT GENERAL THOMAS P. BOSTICK

Mr. Chairman and members of the subcommittee: I am honored to be testifying before your committee today, along with the Assistant Secretary of the Army for Civil Works, the Honorable Jo-Ellen Darcy, on the President's fiscal year 2016 Budget for the Civil Works Program of the United States Army Corps of Engineers (Corps). This is my third time before this Subcommittee to testify on the Civil Works budget; thank you for your support in the past, and I look forward to continuing to work together.

I have been in Command of the Corps for nearly 3 years, and I want to briefly update you on the four Campaign Plan Goals for the Corps.

First, *Support National Security*. The Corps supports the National Security of the United States. We continue working in more than 110 countries, using our Civil Works, Military Missions, and Water Resources Research and Development expertise to support our Nation's Combatant Commanders. We are proud to serve this great Nation and our fellow citizens, and we are proud of the work the Corps does to support America's foreign policy. Civilian Army Corps employees from across the Nation have volunteered—and continue to volunteer—to work, in a civilian capacity, to provide critical support to our military missions abroad and humanitarian support to the citizens of those nations. Many of them have served on multiple deployments.

Second, *Transform Civil Works*. The four elements of the Civil Works Transformation strategy will make the Corps more efficient and effective while continuing to support the Nation by addressing some of our greatest infrastructure needs. Civil Works Transformation focuses on modernizing the project planning process; enhancing the budget development process through a systems-oriented approach and collaboration; evaluating the current inventory of projects and the portfolio of proposed water resources projects using an infrastructure strategy to identify priorities and develop better solutions to water resources problems; and improving methods of delivery to produce and deliver sound decisions, products, and services that will improve the ways in which we manage and use our water resources.

Since the inception of Civil Works Transformation efforts in 2008, 42 Chief's reports have been completed. In 7 years, 13 Chief's Reports were completed in the first 4 years, and 29 Chief's Reports completed in the last three; we are learning and becoming more efficient in our processes.

Third, we must continue to be proactive and develop better strategies to *Reduce Disaster Risks*, as well as respond to natural disasters when they do occur, under the National Response Framework, National Disaster Recovery Framework, Public Law 84-99 as amended, and Corps project authorities for flood risk management. I continue to be amazed at the work the Army Corps does in this arena. One great example of this proficiency is the Hurricane Sandy recovery work ongoing in three of our Divisions. The Flood Control and Coastal Emergency (FC&CE) program is over 95 percent complete. At the end of 2014, the South Atlantic Division completed its Sandy Operation and Maintenance program; with nearly 70 percent complete, both the North Atlantic Division and Great Lakes and Ohio River Division O&M programs are on schedule to be 100 percent complete by the end of 2016. And I'm pleased to highlight that the Army submitted the North Atlantic Coast Comprehensive Study to Congress and the public on 28 January 2015. This 2-year study addresses coastal storm and flood risk from New Hampshire to Virginia and provides a Coastal Storm Risk Management Framework, data, and tools such as the Sea Level Change Calculator that are now available online to help all stakeholders better assess vulnerabilities and adopt forward thinking floodplain management strategies.

Fourth, *Prepare for Tomorrow*. This is about our People—ensuring we have a pipeline of Science, Technology, Engineering and Mathematics workers, as well as Workforce Development and Talent Management. Equally important is helping the Nation's Wounded Warriors and Soldiers transitioning out of active duty to find fulfilling careers. I am proud that last year we set a goal to assist 125 transitioning Wounded Warriors, and we exceeded that goal by more than 50 percent. Nearly 200 Wounded Warriors found permanent position within the Corps and other organization.

We are also focused on Research and Development efforts that will help solve some of the toughest challenges facing the Army and the Nation. Civil Works Program research and development provides the Nation with innovative engineering products, some of which can have applications in both civil and military infrastructure spheres. By creating products that improve the efficiency of the Nation's engineering and construction industry and providing more cost-effective ways to operate

and maintain public infrastructure, Civil Works program research and development contributes to the national economy.

#### SUMMARY OF FISCAL YEAR 2016 BUDGET

The fiscal year 2016 Civil Works Budget is a performance-based budget, which reflects a focus on the work that will provide the highest net economic and environmental returns on the Nation's investment or address a significant risk to safety. Investments in the Civil Works program will reduce the risks of flood impacts in communities throughout the Nation, facilitate waterborne transportation, restore and protect significant aquatic ecosystems, generate low-cost renewable hydropower and support American jobs. Continued investment in critical Civil Works infrastructure projects is an investment in the Nation's economy, security and quality of life—now and in the future.

The Budget focuses on high performing projects and programs within the three main water resources missions of the Corps: commercial navigation, flood and storm damage reduction, and aquatic ecosystem restoration. The fiscal year 2016 Budget includes \$4.732 billion in gross discretionary funding to fund Civil Works activities throughout the Nation, including the construction of water resources projects that will provide high economic, environmental and public safety returns on the Nation's investment. Second, in the Operation and Maintenance program, the Budget focuses on investments that address infrastructure maintenance needs on a risk assessment basis. The budget also proposes an increase in funding for the Regulatory program to better protect and preserve the Nation's water-related resources.

#### INVESTIGATIONS PROGRAM

The fiscal year 2016 Budget provides \$97 million in the Investigations account, and \$10 million in the Mississippi River and Tributaries account to fund projects, programs, and activities that will enable the Corps to evaluate and design projects that are the most likely to be high-performing within the Corps three main mission areas. The Budget also supports the Corps planning and technical assistance programs, including using its expertise to help local communities increase their resilience to risks such as the flood risks in coastal communities associated with sea level rise.

#### CONSTRUCTION PROGRAM

The goal of the construction program is to produce as much value as possible for the Nation from the available funds. The Budget provides \$1.172 billion for the Construction account, and \$62 million in the Mississippi River and Tributaries account, to further this objective and gives priority to the projects with the greatest net economic and environmental returns per dollar invested, as well as to projects that address a significant risk to safety. The Budget includes funds for four high-priority construction new starts: Port Lions Harbor (Deepening and Breakwater), Alaska; Coyote and Berryessa Creeks, Berryessa Creek, California; Ohio River Shoreline, Paducah, Kentucky; and Marsh Lake, Minnesota River Authority, Minnesota. In keeping with our Civil Works transformation strategy, the Budget also allocates construction funding to complete projects and deliver their benefits to the Nation sooner.

The Corps uses objective performance measures to establish priorities among projects. These include benefit-to-cost ratios for projects that are being funded primarily due to their economic outputs. For projects funded on the basis of their environmental return, those projects that are highly effective at restoring degraded structure, functions or processes of significant aquatic ecosystems on a cost-effective basis are given priority. The selection process also gives priority to dam safety assurance, seepage control, and static instability correction projects and to projects that address a significant risk to safety.

#### OPERATION AND MAINTENANCE PROGRAM

All structures age over time with a potential decline in reliability. With proper maintenance and periodic rehabilitation, we can extend for many years the effective lifetime of most of the facilities owned or operated by, or on behalf of, the Corps. As stewards of this infrastructure, we are working to ensure that its key features continue to provide an appropriate level of service to the American people. In some cases, this is proving to be a challenge.

The Corps strives to continually improve the efficiency and effectiveness of its investigations, construction, and operation and maintenance programs. In fiscal year 2016, the Corps will further expand the implementation of a modern asset manage-

ment program, dedicating an increased amount of its O&M funding to the key features of its infrastructure and for work that will reduce long-term O&M costs in real terms, while implementing an energy sustainability program and pursuing efficiencies in the acquisition and operation of its information technology.

The Budget for the operation and maintenance program provides \$2.71 billion in the Operation and Maintenance (O&M) account, and \$152 million in the Mississippi River and Tributaries account. Our focus in this program is on the operation and maintenance of key commercial navigation, flood and storm damage reduction, hydropower, and other facilities. The Budget gives priority to those coastal ports and inland waterways with the most commercial traffic, and includes \$915 million to be spent from the Harbor Maintenance Trust Fund. The Budget also funds small harbors that support significant commercial fishing, subsistence, or public transportation benefits. The Budget provides operation and maintenance funding for safety improvements at Federal dams and levees based on the risk and consequence of a failure. According to our analyses, almost half of the 707 Corps dams will likely require some form of modification or risk reduction measure in the future if they are to continue to serve their original purposes.

Generally, the O&M program supports completed works owned or operated by the Corps, including administrative buildings and laboratories. Work to be accomplished includes: operation of the locks and dams along the inland waterways; dredging of inland and coastal Federal channels; operating multiple purpose dams and reservoirs for flood risk reduction, hydropower, recreation, and related purposes; maintenance and repair of the facilities; monitoring of completed coastal projects; and general management of Corps facilities and the land associated with these purposes.

The fiscal year 2016 Budget provides \$212 million in Operation and Maintenance for hydropower activities in order to maintain basic power components such as generators, turbines, transformers and circuit breakers at Corps hydropower facilities to keep them operating efficiently and effectively. The Corps is the largest hydropower producer in the U.S., producing 24 percent of the Nation's hydropower.

#### REIMBURSABLE PROGRAM

Through the Interagency and International Services (IIS) Reimbursable Program, the Civil Works program helps other Federal agencies, State, local, and tribal governments, and other countries with timely, cost-effective implementation of their programs. These agencies can turn to the Corps of Engineers, which already has these capabilities, rather than develop their own internal workforce and expertise to oversee project design and construction. Such intergovernmental cooperation is effective for agencies and the taxpayer by using the skills and talents that we bring to our Civil Works and Military Missions programs. The work is principally technical oversight and management of engineering, environmental, and construction contracts performed by private sector firms, and is financed by the agencies we service. IIS Reimbursable Program activities in support of our domestic stakeholders totaled \$905 million in fiscal year 2014. We only accept agency requests that are consistent with our core technical expertise, in the national interest, and that we can execute without impacting our primary mission areas.

#### EMERGENCY MANAGEMENT

The fiscal year 2016 Budget proposes an increase in funding for the Flood Control and Coastal Emergencies account to enable the Corps to prepare for emergency operations in response to natural disasters. The Budget for the emergency management program also includes \$4.5 million for the National Emergency Preparedness Program as well as \$3 million in the Investigations account for the Corps participation in the development and expansion of interagency teams, known as Silver Jackets, which collaboratively reduce the risks associated with flooding and other natural hazards. The Silver Jackets is an innovative program providing a common forum to address State and local flood risk management priorities. Silver Jacket programs are developed at the State level. Currently, there are 43 active teams (42 States and the District of Columbia); the ultimate goal is to offer an interagency team in every State.

#### CONCLUSION

The fiscal year 2016 Budget represents a continuing, fiscally prudent investment in the Nation's water resources infrastructure and restoration of its aquatic ecosystems. The U.S. Army Corps of Engineers is committed to a performance-based Civil Works Program, based on innovative, resilient, sustainable, risk-informed solutions.

Thank you, Mr. Chairman and members of the subcommittee. This concludes my statement. I look forward to answering questions you or other members of the subcommittee may have.

Senator ALEXANDER. Thank you, General.  
Secretary Darcy.

**STATEMENT OF HON. JO-ELLEN DARCY, ASSISTANT SECRETARY OF  
THE ARMY FOR CIVIL WORKS**

Ms. DARCY. Thank you, Mr. Chairman, and distinguished members of the subcommittee. Thank you for the opportunity to present the President's budget for the Civil Works Program of the Army Corps of Engineers for fiscal year 2016.

This year's civil works budget reflects the administration's priorities through targeted investments in the Nation's water resources infrastructure, including dams and levees, navigation, and the restoration of ecosystems.

It supports a civil works program that relies on a foundation of strong relationships between the Corps and local communities, which allows us to work together to meet their water resources needs.

The budget also helps us in our efforts to promote the resilience of communities to respond to the impacts of climate change. We are investing in research, planning, vulnerability assessments, pilot projects, and evaluations of the value and performance of non-structural and natural measures.

The budget also helps us to maintain and improve our efforts on sustainability. For example, we are reducing the Corps' carbon footprint by increasing renewable electricity consumption, reducing greenhouse gas emissions, and reducing non-tactical vehicle petroleum consumption.

We are also advancing our sustainability efforts by using innovative financing techniques, such as energy savings performance contracts.

We are making important investments to promote the sustainable management of the lands around Corps facilities by providing funds to update the plans that govern how we manage our facilities and to help combat invasive species.

The budget also focuses on maintaining the water resources infrastructure that the Corps owns and manages, and on finding innovative ways to rehabilitate it, hand it over to others, or retire it.

Here are some of the funding highlights for this year's budget. It provides \$4.7 billion in gross discretionary appropriations for the Army Civil Works Program, focusing on investments that will yield high economic and environmental returns or address a significant risk to public safety.

The budget focuses funding on our three major mission areas, allocating 41 percent to commercial navigation, 27 percent to flood and storm damage reduction projects, and 9 percent to aquatic ecosystem restoration.

Other effective and sound investments include allocating 5 percent of the budget to hydropower, 2 percent to the cleanup of sites contaminated during the early years of the Nation's nuclear weapons program, and 4 percent to regulatory activities.

Overall, the budget funds 57 projects, nine of those to completion. It also funds 54 feasibility studies, 13 of those to completion.

The budget also includes four new construction starts, two of which the Corps will complete in 1 year.

The budget funds inland waterway capital investments at \$974 million, of which \$53 million will be derived from the Inland Waterways Trust Fund. The budget provides \$950 million from the Harbor Maintenance Trust Fund to maintain coastal channels and related works, matching the highest amount ever budgeted.

The \$44 million is provided for our comprehensive levee safety initiative that will help ensure that all Federal levees are safe and in line with the Federal Emergency Management Administration standards. This initiative will provide nonfederal entities with access to levee data that will inform them on safety issues.

The budget supports a Corps program that has a diverse set of tools and approaches to working with local communities, whether this means funding projects with our cost-sharing partners or providing planning assistance and technical expertise to help communities make better informed decisions.

This year, the President's civil works budget provides \$31 million for the Corps to provide local communities with technical and planning assistance to help them develop and implement nonstructural approaches to improve their resilience to the impacts of climate change.

We continue to contribute to the Nation's environmental restoration and the budget provides funding to restore several large ecosystems that have been the focus of interagency collaboration, including the California Bay Delta, the Chesapeake Bay, the Everglades, the Great Lakes, and the Gulf Coast.

Other funded Corps efforts include the Columbia River, portions of Puget Sound, and priority work in the upper Mississippi, as well as Missouri rivers.

Finally, this budget provides \$6 million for the Corps' Veterans Curation Program, which was started in 2009 with support from the American Recovery and Reinvestment Act. The program offers veterans the opportunity to learn tangible work skills and gain experience by rehabilitating and preserving federally owned or administered archaeological collections found at the Corps' projects.

Mr. Chairman, if you could indulge me in having me give my personal thanks to Roger Cockrell, as well. He has been a longtime friend, a personal friend, as well as a friend to the Army and a friend to the Corps of Engineers. He will be truly missed.

[The statement follows:]

PREPARED STATEMENT OF HON. JO-ELLEN DARCY

Thank you Chairman Simpson and distinguished members of the subcommittee for the opportunity to present the President's Budget for the Civil Works program of the Army Corps of Engineers for fiscal year 2016. We are pleased to have an opportunity to further expand on the Administration's priorities and goals. Those priorities include promoting resilient communities in the wake of the impacts of climate change and sea level rise; fostering and maintaining strong partnerships with local communities; and practicing sustainability and sound stewardship across all our missions. I also want to take this opportunity to touch on points that this committee has raised in the past.

This year's Civil Works Budget reflects the Administration's priorities through targeted investments in the Nation's water resources infrastructure, including dams and levees, navigation, and the restoration of aquatic ecosystems.

The 2016 Civil Works Budget provides \$4.7 billion in discretionary appropriations for the Army Civil Works program, focusing on investments that will yield high economic and environmental returns or address a significant risk to safety.

The Budget focuses on funding our three major mission areas:

- 41 percent of funding is allocated to commercial navigation,
- 27 percent to flood and storm damage reduction,
- And 9 percent to aquatic ecosystem restoration.

Other practical, effective, sound investments include allocating 5 percent of the Budget to hydropower, 4 percent to regulatory activities, and 2 percent to the clean-up of sites contaminated during the early years of the Nation's nuclear weapons program.

The Civil Works program, which this Budget supports, relies on the strong relationships between the Corps and local communities; these strong relationships allow us to work together to meet their water resources needs across all of our missions, as well as to address broader water resources challenges that are of concern at the national or regional level.

The Budget supports a Civil Works program that has a diverse set of tools and approaches to working with local communities, whether this means funding studies and projects with our cost-sharing partners, or providing planning assistance and technical expertise to help communities make better informed decisions.

#### PLANNING MODERNIZATION

This Budget supports the continued implementation of Corps efforts to modernize its planning process. The Budget provides funding in the Investigations account for 54 feasibility studies, and funds 13 of them to completion.

Section 1002 of the Water Resources Reform and Development Act of 2014 repeals the requirement for the Corps to conduct a federally funded reconnaissance study prior to initiating a feasibility study. This creates an accelerated process which allows non-Federal project sponsors and the Corps to proceed directly to the cost shared feasibility study. The Budget reflects that change, and does not propose any new reconnaissance studies.

The Budget reflects full implementation of the SMART (Specific, Measurable, Attainable, Risk Informed, Timely) planning initiative, under which each feasibility study is to have a scope, cost, and schedule that have been agreed upon by the District, Division, and Corps Headquarters. The Budget supports efficient funding of these studies.

Studies generally are funded with the presumption that they will complete in 3 years and for \$3 million (\$1.5 million Federal). For most studies, the Corps estimates that it will spend \$300,000 in the first year, \$700,000 in the second year, and \$500,000 in the final year. In the first year, the Corps will work to identify the problem, develop an array of alternatives, and begin the initial formulation. The bulk of the study costs are anticipated to be incurred during year two, as the alternatives are narrowed down and a Tentatively Selected Plan is identified, which requires more detailed feasibility analysis and formulation. During the third year, the focus is on completing the detailed feasibility analysis, State and agency review, and finalizing the Chief's Report. There are limited exceptions to this funding stream, where the Corps has approved an increase in the study cost or an extension in its schedule based on factors such technical complexity, public controversy, the need for more detailed work to address a specific issue, or the overall cost of a proposed solution.

The Budget includes funding to complete two ongoing preconstruction engineering and design efforts. Within the past year, the Corps has initiated 19 new studies under the fiscal year 2014 and fiscal year 2015 work plans. The Budget does not propose additional new studies for fiscal year 2016. Instead, the Corps would focus on managing its existing portfolio of ongoing studies and bringing them to a conclusion. However, the Budget does propose two important, new initiatives in the Investigations account—the North Atlantic Coast Comprehensive Study Focus Areas; and Disposition of Completed Projects. Both of these are funded as remaining items.

#### *North Atlantic Coast Comprehensive Study Focus Areas*

The Disaster Relief Appropriations Act, 2013, tasked the Corps to work with a variety of partners to conduct a Comprehensive Study of the coastal areas affected by Hurricane Sandy to evaluate flood risks and, as part of this study, to identify areas warranting further analysis and institutional and other barriers to reducing flood risks. The Water Resources Reform and Development Act, 2014, provided further requirements to the study. In January of 2015, the U.S. Army Corps of Engineers released to the public the North Atlantic Coast Comprehensive Study (NACCS) detailing the results of a 2-year effort to address coastal storm and flood

risk to vulnerable populations, property, ecosystems, and infrastructure in the North Atlantic region of the United States affected by Hurricane Sandy in October 2012.

Within the NACCS, nine focus areas were identified and analyzed. There is a new remaining item included in the fiscal year 2016 Budget in the Investigations account to follow on with additional analysis into those focus areas; in-depth studies of three of the nine areas—New York-New Jersey Harbor, the New Jersey Back Bays, and Norfolk, Virginia—will be undertaken beginning in fiscal year 2016 under this remaining item.

#### *Disposition of Completed Projects*

The Corps would use the funds provided under the new remaining item for Disposition of Completed Projects to develop a process to help identify projects that it could sell or transfer to other parties, and to determine the viability of such a divestiture and what actions would be necessary to make it happen. In the future, funds provided through this line item would primarily be used to undertake studies or analyses of options for candidate projects to support specific divestiture recommendations.

#### CONSTRUCTION

The Budget for the construction program funds 53 ongoing efforts, and four new ones. It funds nine of them to completion. Several of these efforts are in fact programs, which comprise multiple projects. For transparency, the supporting budget justification materials for each of these programs display their constituent parts separately. For example, the South Florida Ecosystem Restoration Program includes many projects. Some of these projects are part of an integrated, ongoing Federal and State effort to restore the unique aquatic ecosystem of the Everglades; while others primarily seek to restore the aquatic ecosystems of surrounding areas. This year's Budget also presents the main stem flood damage reduction features of the Lower Mississippi River together, since they are the component parts of a single, integrated project.

The Corps continues to contribute to the Nation's efforts to restore degraded environments; to that end, the Budget for the Corps funds restoration of several large aquatic ecosystems that have been a focus of interagency collaboration, including the California Bay-Delta, the Chesapeake Bay, the Everglades, the Great Lakes, and the Gulf Coast. Other funded efforts include the Columbia River, portions of Puget Sound, and priority work in the Upper Mississippi and Missouri Rivers.

The Budget requests funds sufficient to complete nine construction projects. Among these is the Chicago Sanitary and Ship Canal Dispersal Barrier in Illinois; the Budget will allow the Corps to physically complete Permanent Barrier I and appurtenant features. Finishing this project has been a high priority of both the Administration and Congress and I am pleased that the Corps will be able to deliver a solution that will reduce the risk of migration of Asian carp and other invasive species between the Great Lakes and Mississippi River through the Chicago Area Waterway System (CAWS). After fiscal year 2016, work for this project will be limited to operation and maintenance and will be funded through the Operation and Maintenance account.

The Budget also helps to further combat the spread of invasive species by its proposals for funding work associated with the Great Lakes and Mississippi River Interbasin Study (GLMRIS). The Budget supports efforts to reduce the risk of interbasin transfer of aquatic nuisance species through the CAWS in the vicinity of Brandon Road Lock and Dam. The Brandon Road effort will assess the viability of establishing a single point to control the one-way, upstream transfer of aquatic nuisance species from the Mississippi River basin into the Great Lakes basin near the Brandon Road Lock and Dam located in Joliet, Illinois. Carryover funds are being used to develop a scope, schedule, and cost for a study. This is needed as a basis for further action to undertake a feasibility-level evaluation of options to support a decision. The Budget includes funding to continue this effort.

Another completion of note is the Main Tunnel System (Stage 1) of the McCook Reservoir, Illinois project. The \$9 million in the Budget coupled with the additional funds provided in the fiscal year 2015 work plan will allow the Corps to complete this work on a schedule that will support the non-Federal sponsor, the Metropolitan Water District of Greater Chicago, in meeting its requirements under the Clean Water Act by December 2017.

Also funded to completion are two dam safety projects in Oklahoma—Pine Creek Lake and Canton Lake—that will result in reduced dam safety action classification ratings as a result of the construction.

*Dam and Levee Safety*

Over the last several years, Congress has funded the dam safety program at a lower level than the Budget, based on revisions of capabilities that the Corps has provided to Congress subsequent to the Budget submission; these revisions—often but not always showing a lower capability than requested in the Budget—are caused by a variety of factors, including savings from contract awards, process efficiencies, and unforeseen changed conditions. The Budget includes \$310 million (not including \$24 million for the Dam Safety remaining item) for the dam safety program that, when coupled with anticipated unobligated carryover balances on these important projects, will ensure that each of the Dam Safety Action Classification (DSAC) I and DSAC II projects funded in the Budget is able to progress as efficiently and effectively as possible toward risk reduction.

The Budget also provides \$44 million for a comprehensive levee safety initiative that will help ensure that all Federal levees are safe and in line with the Federal Emergency Management Administration standards.

*Inland Waterways*

The overall condition of the inland waterways has improved over the last few years. The number of lock closures due to preventable mechanical breakdowns and failures lasting longer than 1 day and lasting longer than one week has decreased significantly since fiscal year 2010. However, the lock closures that do occur result in additional costs to shippers, carriers, and users. That is why the Budget continues to provide a high level of funding to operate and maintain the inland waterways, with emphasis on those that together carry 90 percent of the commercial traffic.

The Budget funds inland waterways capital investments at \$974 million, of which \$53 million will be derived from the Inland Waterways Trust Fund (IWTF). With the passage of the Water Resources Reform and Development Act of 2014 (WRRDA 2014), the Olmsted Locks and Dam, Ohio River, Illinois and Kentucky project is now cost-shared 85 percent General funds and 15 percent IWTF. This change reduced the cost of this project to the navigation users by around \$500 million, and increased the amount that Federal taxpayers will have to pay by an equivalent amount. In the ABLE Act, the Congress also increased the tax on diesel fuel used in commercial transportation on certain of the inland waterways. As a result of both of these changes, over the next few years there will be somewhat more money in the IWTF to support the user-financed share of inland waterways capital investments.

The Administration has proposed legislation to reform the way that we finance capital investments for navigation on the inland waterways. The Administration's proposal includes a new user fee to produce additional revenue from the users to help finance long-term future capital investments in these waterways to support economic growth. We would like to work with the Congress to enact this legislation.

The Corps also is working to develop a Capital Investment Program for the inland waterways. It will coordinate this effort with stakeholders and the Inland Waterways Users Board to provide an opportunity for their input. The process will include development of objective nationwide criteria to provide a framework for deciding which capital investments should have priority for funding from a national perspective.

## OPERATION AND MAINTENANCE

The Budget provides \$2.71 billion for Operation and Maintenance, with \$1.08 billion for operation and \$1.44 billion for maintenance, and an additional \$186 million for remaining items. This encompasses a wide range of activities, from operating and maintaining our locks and dams to monitoring the condition of dunes and berms that reduce the risk of flooding in a hurricane from wave action and storm surges, running the Corps recreation facilities that are visited by millions of Americans each year, and helping us be responsible stewards of the lands associated with Corps projects and operate them in an increasingly sustainable fashion.

For example, the Budget helps us maintain and improve our efforts on sustainability. We are reducing the Corps' carbon footprint by:

- increasing renewable electricity consumption,
- reducing greenhouse gas emissions,
- and reducing non-tactical vehicle petroleum consumption.

The Budget continues to support the Corps' actions to improve the sustainability of our facilities and projects, by participating in Energy Savings Performance Contracts, which are innovative tools that enable us to work with non-Federal partners in financing improvements that otherwise might be postponed due to competition for

scarce Federal dollars, and which can help to make upgrades to our facilities in ways that have immediate positive impacts, such as by cutting power consumption from lighting and buildings.

We are also making important investments to promote the sustainable management of the lands around Corps facilities; the Budget provides \$2.3 million to update 22 of the Master Plans that govern how we manage our facilities, which will help us make better decisions about how to use the land and keep it healthy, such as by combating invasive species.

#### *Harbor Maintenance Trust Fund*

The Budget provides \$915 million from the Harbor Maintenance Trust Fund (HMTF) to maintain coastal channels and related work, matching the highest amount ever budgeted. This includes \$856 million from the O&M Account, \$2 million from the Mississippi River & Tributaries account, and \$57 million from the Construction account.

#### *Levels of Service*

At some of our navigation projects, we have adopted changes to the level of service at low commercial use locks (those with less than 1,000 commercial lockages per year). The Corps has worked with navigation stakeholders to reduce impacts to commercial users. Generally, commercial traffic will be able to continue to use the locks at certain times. The intent of this effort is to focus the available Federal resources on maintenance that will extend the service life of these or other navigation locks.

#### RESEARCH AND DEVELOPMENT

Research, Development, and Technology is a component of the Science and Technology portfolio of the Corps and continues to address key strategic technology needs to inform policy-making and business processes. The fiscal year 2016 Budget includes \$18.1 million for research and development. This funding will be used to extend the service life of water resources infrastructure through research, use of novel materials, and technology transfer. Research, Development, and Technology efforts address ways to maintain or improve the reliable and efficient operation of marine transportation, continued development of tools for flood and coastal storm preparation and recovery, and capabilities that address ecosystem restoration, sustainable environmental management, and changing environmental conditions.

#### REMAINING ITEMS

The Budget includes \$61 million in the Investigations account, \$47 million in the Construction account, and \$186 million in the Operation and Maintenance account for remaining items.

Annual funding for these remaining items is determined based on current needs, such as the increased focus on technical assistance to States and local communities to improve resilience to climate change.

This year, the President's Civil Works Budget provides \$31 million for the Corps to provide these resources to local communities, to improve their resilience to the impacts of climate change and sea level rise.

#### REGULATORY PROGRAM

The Budget includes a \$5 million increase from the fiscal year 2015 Budget level for the Regulatory program, which is necessary to implement Clean Water Act (CWA) rulemaking activities while maintaining staffing needs, adequate scientific and technologic support, and Regulatory strategic priorities. This increase is based on estimates derived from the EPA Economic Analysis to support revisions to the definition of waters of the United States and would support certain actions to facilitate implementation, such as changes to documentation forms, training, science and technology development, and public outreach. Without the increase over 2015 levels, resources could be shifted away from permit evaluation, affecting processing times and increasing the time it takes to render a permit decision.

#### ALTERNATIVE FINANCING AND PUBLIC-PRIVATE PARTNERSHIPS

As part of looking to the future of the Army's Civil Works program, we are considering potential tools to expand and strengthen our already strong partnerships, especially in the area of Alternative Financing. As part of this effort, we are actively talking with potential non-Federal partners about their ideas for how we can work together and soliciting suggestions and best practices from others in the Federal Government with experience in this area.

As part of this effort, we are considering new authorities, such as Section 5014 of the Water Infrastructure Finance and Innovation Act (WIFIA), and other parts of WRDDA 2014. We are focusing on understanding how we could structure programs to provide efficient forms of Federal assistance and partnership under authorities, including identifying potential challenges to implementation and what additional tools we may need to successfully engage in public-private partnerships. There are limitations on how such structures can be applied to the Civil Works program, but we are working on developing several pilots to flesh out opportunities associated with alternative financing.

We are also considering other approaches to public-private partnerships, such as by expanding use of existing authorities. In some cases, non-Federal sponsors have expressed interest in contributing funds to enable work to occur more quickly than it could with just Federal funds. Before entering into an agreement to accept such funds, the Corps carefully evaluates its overall workload to ensure that execution of the proposed work will not adversely affect directly-funded programs, projects and activities.

#### VETERANS CURATION PROGRAM

Finally, this Budget provides \$6 million for the Corps' Veterans Curation Program, which was started in 2009 with support from the American Recovery and Reinvestment Act. This program offers veterans the opportunity to learn tangible work skills and gain experience by rehabilitating and preserving federally owned or administered archaeological collections found at Corps projects.

Thank you all for attending today. General Bostick will provide further remarks on the Army Corps of Engineers 2016 Budget.

Senator ALEXANDER. Thank you, Secretary Darcy.  
Commissioner López.

## DEPARTMENT OF THE INTERIOR

## BUREAU OF RECLAMATION

**STATEMENT OF HON. ESTEVAN LÓPEZ, COMMISSIONER**

Mr. LÓPEZ. Thank you, Chairman Alexander, Ranking Member Feinstein, and members of the subcommittee. It is an honor and pleasure to appear before this subcommittee to discuss the President's fiscal year 2016 budget for the Bureau of Reclamation. I appreciate the time and consideration given to understanding Reclamation's budget, projects, and programs. I look forward to working collaboratively with you to continue to address complex water issues in the West. I have submitted detailed testimony for the record.

Reclamation's overall fiscal year 2016 budget is \$1.1 billion. It allocates funds based on objective and performance-based criteria designed to effectively implement Reclamation's programs and management responsibilities for its water and power infrastructure in the West. At this time, I would like to give you some highlights of that budget.

The budget supports the Powering Our Future initiative by including \$1.3 million to implement an automated data collection and archival system to aid in hydropower benchmarking, performance testing, and strategic decisionmaking; to investigate Reclamation's capability to integrate large amounts of renewable resources, such as wind and solar power to the electric grid; and to assist tribes in developing renewable energy sources.

Reclamation's budget supports Interior's Strengthening Tribal Nations initiative, through endangered species recovery, rural water projects, and water rights settlement programs. The budget includes \$112.5 million for the planning and construction of five recent Indian water rights settlements. Reclamation's Native American Affairs Program is funded at \$10.9 million for activities with tribes, including technical assistance, Indian water rights settlement negotiations, and implementation of enacted settlements, as well as outreach to Tribes.

The budget includes \$36.5 million for rural water projects, of which \$18 million is for the operation and maintenance of completed tribal systems. A remaining \$18.5 million is for the continued construction of authorized projects, which benefit both tribal and nontribal communities.

The budget supports the Engaging the Next Generation initiative by continuing to provide work and training opportunities by leveraging funding through agreements with conservation partnerships, such as the 21st Century Conservation Service Corps.

The budget supports ecosystem restoration, providing \$158 million to operate, manage, and improve California's Central Valley Project (CVP), including \$35 million in current appropriation for the San Joaquin Restoration Fund. Within the CVP total, the Trinity River Restoration Program is proposed at \$11.9 million with an additional \$1.5 million in the Central Valley Project Restoration Fund.

The budget provides \$437.7 million at a project level for water and power facilities operation, maintenance, and rehabilitation ac-

tivities. Reclamation's highest priority is the safe, efficient, economic, and reliable operation of its facilities, ensuring system and safety measures are in place to protect those facilities and the public.

The budget provides \$88.1 million for Reclamation's Safety of Dams program, which includes \$66.5 million to correct and identify safety issues, \$20.3 million for safety evaluations of existing dams, and \$1.3 million to oversee the Interior Department's Safety of Dams program.

Consistent with the direction in the President's 2013 Climate Action Plan, Reclamation is developing and implementing approaches for climate change adaptation to understand and effectively adapt to the risks and impacts of a changing environment on Western water management, including through Interior's WaterSMART program.

Principal Deputy Assistant Secretary Gimbel is going to describe the WaterSMART program, so I won't repeat that here.

The Science and Technology Program is funded at \$16.6 million for water resources research to improve capability to manage water resources under multiple stressors, including a changing climate. Reclamation is committed to working with its customers, Federal, State, and Tribal partners and other stakeholders to find ways to meet our challenging water resource demands in 2016 and into the future.

This completes my statement. I would be happy to answer questions at the appropriate time.

[The statement follows:]

PREPARED STATEMENT OF HON. ESTEVAN LÓPEZ

Thank you Chairman Alexander, Ranking Member Feinstein and members of this subcommittee for the opportunity to discuss with you the President's fiscal year 2016 budget for the Bureau of Reclamation.

I appreciate the time and consideration this subcommittee gives to reviewing and understanding Reclamation's budget, projects, and programs and I look forward to working with the committee in the future as Reclamation continues to address water issues in the West. Reclamation is committed to prioritizing and implementing its overall program in a manner that serves the best interest of the American public.

Reclamation's fiscal year 2016 budget sustains our efforts to deliver water and generate hydropower, consistent with applicable Federal and State law, in an environmentally responsible and cost-efficient manner. It also supports the Administration's and Department of the Interior's (Department) priorities to ensure healthy watersheds and sustainable, secure water supplies; build a landscape-level understanding of our resources; celebrate and enhance America's great outdoors; power our future; strengthen tribal nations; and engage the next generation.

The extreme and prolonged drought facing the Western States affects many major river basins in the Western States. The effects of the current drought on California's Sacramento and San Joaquin River Basins, water, its agricultural economy, and its communities are particularly acute. Another basin crucial for seven States and a number of Native American Tribes—in addition to two countries—is the Colorado River Basin. Nearly 35 million people rely on the Colorado River for some, if not all, of their municipal and industrial needs. The Basin is currently experiencing a historic drought that has not been witnessed in over 100 years of recorded history. Lake Mead, behind Hoover Dam on the Colorado River, has reached its lowest level since filled more than 75 years ago. Snowpack, which acts like reservoir storage for many western basins, is below normal in many areas.

This budget addresses priorities by allocating funds based on objective and performance-based criteria to most effectively implement Reclamation's programs and its management responsibilities for its water and power infrastructure in the West. Climate variability adaptation, water supply, water conservation, improving infra-

structure, sound science to support critical decisionmaking, and ecosystem restoration were balanced in the formulation of the fiscal year 2016 budget. Reclamation continues to look at ways to more efficiently plan for the future challenges faced in water resources management and to improve the way it does business.

This budget focuses on meeting National priorities for: Indian water rights settlements, ecosystem restoration, and healthy watersheds and sustainable, secure water supplies. In order to meet Reclamation's mission goals, we are building a landscape-level understanding of our resources and the protection and restoration of the aquatic and riparian environments influenced by our operations. Ecosystem restoration involves a large number of activities, including Reclamation's Endangered Species Act recovery programs, which directly address the environmental aspects of the Reclamation mission. This includes increased efforts to support Platte River Recovery to meet key timelines in the partnership with the States of Colorado, Nebraska, and Wyoming. Reclamation is engaged in several river restoration projects.

#### WATER AND RELATED RESOURCES

The 2016 budget for Water and Related Resources, Reclamation's principal operating account, is \$805.2 million. The fiscal year 2016 budget shifts \$112.5 million from this account to establish a separate Indian Water Rights Settlement Account and \$35.0 million for a separate discretionary account within the San Joaquin River Restoration Fund.

The 2016 budget includes a total of \$367.4 million at the project and program level for water, energy, land, and fish and wildlife resource management and development activities. Funding in these activities provides for planning, construction, water sustainability activities, management of Reclamation lands, including recreation areas, and actions to address the impacts of Reclamation projects on fish and wildlife.

The budget also provides a total of \$437.7 million at the project level for water and power facility operations, maintenance, and rehabilitation activities. Reclamation emphasizes safe, efficient, economic, and reliable operation of facilities, ensuring systems and safety measures are in place to protect the facilities and the public. Providing adequate funding for these activities continues to be one of Reclamation's highest priorities.

#### HIGHLIGHTS OF THE 2016 BUDGET FOR WATER AND RELATED RESOURCES

I would like to share with the committee several highlights of the Reclamation budget. Reclamation's budget continues to promote and support efficient water management, increased renewable energy production, the construction of new infrastructure and sound maintenance of existing facilities, restoration of aquatic environments, and the continued use of applied science and new technologies to help ensure sustainable water deliveries and energy production. As a result, Reclamation continues to play an important role in providing a strong foundation for economic activity across the American West.

*WaterSMART Program*—One method Reclamation employs to stretch water supplies in the West and prepare for these ongoing challenges is the WaterSMART (Sustain and Manage America's Resources for Tomorrow) Program. The programs included in WaterSMART are collaborative in nature and work to effectively achieve sustainable water management. WaterSMART Grants, Title XVI Water Reclamation and Reuse, and the Water Conservation Field Services Program, along with other Reclamation activities, support the Department's Priority Goal for Water Conservation. The Basin Studies component of WaterSMART supports the Department's priority for Ensuring Healthy Watersheds and Sustainable, Secure Supplies.

In the 2016 budget, Reclamation proposes to fund WaterSMART at \$58.1 million. The WaterSMART components include: WaterSMART Grants funded at \$23.4 million; the Basin Study Program funded at \$5.2 million; the Title XVI Water Reclamation and Reuse Program funded at \$20.0 million; Water Conservation Field Services Program, funded at \$4.2 million; the Cooperative Watershed Management Program, funded at \$250,000; the Drought Response program, funded at \$2.5 million, and the Resilient Infrastructure program, funded at \$2.5 million.

*Rural Water Projects*—Congress specifically authorized Reclamation to undertake the design and construction of six projects intended to deliver potable water supplies to specific rural communities and Tribes located primarily in Montana, New Mexico, North Dakota, and South Dakota. The 2016 Reclamation budget includes \$36.5 million for rural water projects, \$18.0 million of that total is for operation and maintenance of completed tribal systems and the remaining \$18.5 million is for continued construction for authorized projects.

*Dam Safety Program*—A total of \$88.1 million is provided for Reclamation's Safety of Dams Program, which includes \$66.5 million to correct identified safety issues. Funding also includes \$20.3 million for safety evaluations of existing dams and \$1.3 million to oversee the Interior Department's Safety of Dams Program.

*Site Security*—A total of \$26.2 million is provided for Site Security to ensure the safety and security of the public, Reclamation's employees, and key facilities. This funding includes \$4.1 million for physical security upgrades at high risk critical assets and \$22.1 million to continue all aspects of Bureau-wide security efforts including law enforcement, risk and threat analysis, personnel security, information security, risk assessments and security-related studies, and guards and patrols.

*Powering Our Future*—To support the Powering Our Future initiative, the 2016 Reclamation budget includes \$1.3 million to implement an automated data collection and archival system to aid in hydropower benchmarking, performance testing and strategic decisionmaking; investigate Reclamation's capability to help integrate large amounts of renewable resources such as wind and solar into the electric grid; and work with Tribes to assist them in developing renewable energy sources. These important projects will assist in the production of cleaner, more efficient renewable energy.

*Strengthening Tribal Nations*—The 2016 Reclamation budget supports the Strengthening Tribal Nations initiative through a number of activities and projects. For example, the budget includes \$10.9 million for Reclamation's Native American Affairs Program in support of Reclamation activities with Tribes, including technical assistance, Indian Water Rights Settlement negotiations, implementation of enacted settlements, and outreach to Tribes; and \$15.3 million to continue the operation and maintenance associated with the delivery up to 85,000 acre-feet of water to the Ak-Chin Indian Community. Ongoing authorized rural water projects also benefit both tribal and non-tribal communities. Projects in the fiscal year 2016 budget benefiting Tribes include the rural water component of the Pick-Sloan Missouri Basin Program, Garrison Diversion Unit; Fort Peck Reservation/Dry Prairie; and Rocky Boy's/North Central Montana; and operation and maintenance funding only for tribal features of the Mni Wiconi Project following completion of construction. Numerous other projects and programs, such as the Columbia/Snake River Salmon Recovery Program, Klamath Project, and the Yakima River Basin Water Enhancement Project also benefit Tribes. In 2016, \$112.5 million for planning and construction of five recent Indian Water Rights Settlements is being proposed in a new separate account as described below.

*Ecosystem Restoration*—To meet Reclamation's mission goals of securing America's energy resources and managing water in a sustainable manner for the 21st century, our programs also focus on the protection and restoration of the aquatic and riparian environments influenced by our operations. Ecosystem restoration involves many activities, including Reclamation's Endangered Species Act recovery programs, which directly address the environmental aspects of the Reclamation mission. In 2016, a total of \$122.1 million in Reclamation's budget directly supports the goals of the America's Great Outdoors Program, through local and basin-wide collaboration in watershed partnerships.

The budget has \$24.4 million for Endangered Species Act Recovery Implementation programs including \$17.5 million in the Great Plains Region to implement the Platte River Endangered Species Recovery Implementation program. Within California's Central Valley Project, \$11.9 million is for the Trinity River Restoration Program, with an additional \$1.5 million from the Central Valley Project Restoration Fund.

Many other projects and programs also contribute to ecosystem restoration including the Lower Colorado River Multi-species Conservation Program, Middle Rio Grande Endangered Species Act Collaborative Program, the Columbia/Snake River Salmon Recovery Program, and the Yakima River Basin Water Enhancement Project.

*Engaging the Next Generation*—By September 30, 2017, the Department of the Interior will provide 100,000 work and training opportunities over four fiscal years, 2014 through 2017, for individuals ages 15 to 35 to support the mission of the Department. In fiscal year 2016, Reclamation will continue to provide work and training opportunities by leveraging funding through agreements with 21st Century Conservation Service Corps partners and through other conservation partnerships.

*Climate Change Adaptation*—Consistent with the direction in the President's 2013 Climate Action Plan, Reclamation is developing and implementing approaches to understand, and effectively adapt to, the risks and impacts of a changing environment on western water management. Some examples include:

- The Basin Study Program takes a coordinated approach to assess risks and impacts; develop landscape-level science; communicate information and science to

- other entities and agencies; and work closely with stakeholders to develop adaptation strategies to cope with water supply and demand imbalances in a collaborative manner.
- The Drought Response Program will implement, under existing authorities, a comprehensive new approach to drought planning and will implement actions to help communities manage drought and develop long-term resilience strategies.
  - Through the Resilient Infrastructure Program, Reclamation will proactively maintain and improve existing infrastructure for system reliability, safety, and efficiency for water conservation to prepare for extremes and to support healthy and resilient watersheds. Reclamation will continue to develop, implement, and test an enhanced decisionmaking criteria framework for selecting resilient infrastructure investments and will identify opportunities to integrate operational efficiencies more compatible with climate variability adaptation goals, as part of the Bureau's ongoing infrastructure investments.
  - Reclamation's Science and Technology Program conducts water resources research to improve capability for managing water resources under multiple stressors, including a changing climate. This research agenda will collaborate with and leverage the capabilities of the Interior Climate Science Centers.
  - Reclamation's WaterSMART Grants, Water Conservation Field Services, and Title XVI Programs are enabling the West to better adapt to the impacts of a changing environment by helping to conserve tens of thousands of acre-feet of water each year in urban and rural settings, and on both large and small scales. The 2016 Water and Related Resources budget provides \$123.0 million to operate, manage, and improve California's Central Valley Project. The next three accounts are also related to California water and restoration.

#### SAN JOAQUIN RIVER RESTORATION FUND

Reclamation proposes \$35.0 million of current funds for the San Joaquin River Restoration Fund account in 2016. The 2016 budget funds activities consistent with the settlement of Natural Resources Defense Council v. Rodgers as authorized by the San Joaquin River Restoration Settlement Act. The Act includes a provision to establish the San Joaquin River Restoration Fund to implement the provisions of the Settlement. The Settlement's two primary goals are to restore and maintain fish populations, and restore and avoid adverse impacts to water supplies. Under the Settlement, the legislation provides for nearly \$2.0 million in annual appropriations from the Central Valley Project Restoration Fund for this purpose.

#### CENTRAL VALLEY PROJECT RESTORATION FUND

The 2016 budget includes a total of \$49.5 million for the Central Valley Project Restoration Fund (CVPRF). This amount is determined on the basis of a 3-year rolling average not to exceed \$50.0 million per year and indexed to 1992 price levels. These expenditures are offset by collections estimated at \$49.5 million from mitigation and restoration charges authorized by the Central Valley Project Improvement Act.

#### CALIFORNIA BAY-DELTA RESTORATION

The 2016 budget provides \$37.0 million for California Bay-Delta Restoration, equal to the 2015 budget. The account focuses on the health of the Bay-Delta ecosystem and improving water management and supplies. The budget will support the coequal goals of environmental restoration and improved water supply reliability, under the following program activities including: \$1.7 million for a Renewed Federal State Partnership, \$7.2 million for Smarter Water Supply and Use, and \$28.1 million for Habitat Restoration. These program activities are based on the Interim Federal Action Plan for the California Bay-Delta issued December 22, 2009.

#### INDIAN WATER RIGHTS SETTLEMENTS

In 2016, Reclamation will enhance support of tribal nations. The 2016 budget proposes \$112.5 million for Indian Water Rights Settlements (IWRS), in a new account of the same name. Reclamation is proposing establishment of an Indian Water Rights Settlements account to assure continuity in the construction of the authorized projects, and to highlight and enhance transparency in handling these funds. This account is proposed to cover expenses associated with the four Indian water rights settlements contained in the Claims Resolution Act of 2010 (Public Law 111-291) and the Navajo-Gallup Water Supply Project within Title X of the Omnibus Public Land Management Act of 2009 (Public Law 111-11).

Of this amount, \$6.0 million is for the Aamodt Settlement (Pueblos of Nambe, Pojoaque, Tesuque and San Ildefonso in New Mexico); \$12.8 million for the Crow Settlement (Crow Tribe in Montana); \$89.7 million for the Navajo-Gallup Settlement (Navajo Nation in New Mexico); and \$4.0 million for the Taos Settlement (Taos Pueblo in New Mexico). These settlements will provide permanent water supplies and offer economic security for the Tribes and pueblos described above. The agreements will build and improve reservation water systems, rehabilitate irrigation projects, construct a regional multi-pueblo water system, and codify water-sharing arrangements between Indian and neighboring communities.

Construction will take place over time, and annual funding requirements will vary from year to year. Per the Claims Resolution Act of 2010, in addition to the discretionary funding included in this budget, additional mandatory funds have already been made available to Reclamation, in order to realize the deadlines mandated in the settlement acts. The White Mountain Apache Tribe activities will continue in 2016 using mandatory funds.

#### POLICY AND ADMINISTRATION

The 2016 budget for Policy and Administration, the account that finances Reclamation's central and regional management functions is \$59.5 million. The account supports activities necessary to the management and administration of the bureau which are not chargeable directly to a specific project or program, such as corporate oversight, policy and overall program management, budget preparation, finance and procurement, and management of safety and health, human resources, and information technology.

#### PERMANENT APPROPRIATIONS

The total permanent appropriation of \$117.4 million in 2016 primarily includes \$114.2 million for the Colorado River Dam Fund. Revenues from the sale of Boulder Canyon power are placed in this fund and are available without further appropriation to pay for operation and maintenance of the project and other costs.

#### 2016 THROUGH 2018 PRIORITY GOAL FOR WATER CONSERVATION

Priority goals are a key element of the President's agenda for building a high-performing government. The priority goals demonstrate that our programs are a high value to the public and they reflect achievement of key Departmental milestones. These goals focus attention on initiatives for change that have significant performance outcomes, which can be clearly evaluated, and are quantifiable and measurable in a timely manner. Reclamation's participation in the Water Conservation priority goal helps to achieve these objectives.

The 2016 budget will enable Reclamation to achieve water conservation capability for agricultural, municipal, industrial, and environmental uses in the western United States by 975,000 acre-feet (since 2009) through September 30, 2016. This will be accomplished through the use of the WaterSMART Program to assist communities in stretching water supplies while improving water management and increasing the efficient use of water. Reclamation has already exceeded the prior goal of 840,000 acre-feet by the end of fiscal year 2015 by partnering with States, Indian Tribes, irrigation and water districts and other organizations with water or power delivery authority to implement programs resulting in water conservation.

Reclamation is participating in the following priority goals to help achieve the objectives set out by the President: Water Conservation, Renewable Energy, Climate Adaptation, and Youth Employment and Training. The Department is currently employing a set of internal measures and milestones to monitor and track achievement of the Priority Goals.

Reclamation is requesting two significant changes in authorizations for which language is included in our fiscal year 2016 request. The first is to extend the California Federal Bay-Delta Authorization Act, as amended, from 2016 to 2018, so the CALFED program can continue its critical mission—even more important given the current drought. Language is also included as part of the 2016 Budget to increase the authorized appropriations ceiling of Section 9504(e) of the Secure Water Act of 2009 from \$300 million to \$400 million. The latter provides much of the funding for Reclamation's WaterSMART program, which is one of our most effective programs.

Importantly, the 2016 budget demonstrates Reclamation's commitment to addressing the water and power demands of the West in a fiscally responsible manner. This budget continues Reclamation's emphasis on cost-effectively managing, operating, and maintaining its public infrastructure, and in delivering water and power in an environmentally and economically sound manner, in the interest of the American public. Reclamation is committed to working with its customers, States, Tribes,

and other stakeholders to find ways to balance and support the mix of water resource demands in 2016 and beyond.

CONCLUSION

This completes my statement. I would be happy to answer any questions.

Senator ALEXANDER. Thank you, Commissioner López.  
Ms. Gimbel.

**STATEMENT OF JENNIFER GIMBEL, PRINCIPLE DEPUTY ASSISTANT SECRETARY FOR WATER AND SCIENCE**

Ms. GIMBEL. Good afternoon, Chairman Alexander, Senator Feinstein, members of the subcommittee. I am Jennifer Gimbel, Interior's Principal Deputy Assistant Secretary for Water and Science. I appreciate the opportunity to talk with you about Water and Related Programs at the Department of the Interior.

My office oversees the Bureau of Reclamation and USGS activities. I am particularly pleased today to join Senator Udall in introducing Commissioner Estevan López. We are fortunate to have someone of the caliber and with the experience of Commissioner López at the helm of the Bureau of Reclamation.

I will highlight just a few of our overall programs with respect to water challenges across the country.

It is well known that we are facing unprecedented pressure on our water supplies all across the Nation, but particularly in the West. We continue to experience drought not only in California but on the Colorado River and the Rio Grande River basins.

Population growth, aging infrastructure, a changing climate, increased domestic energy development, and recognition of ecosystem needs are all challenging the already scarce supplies. This subcommittee is well aware of these challenges.

This administration continues to put high priority on addressing these challenges both in the short- and long-term. The specific focus of Interior's WaterSMART program is to secure and stretch water supplies and to provide tools that allow water managers to continue to move toward sustainability.

To date, Reclamation has helped to create an additional supply of more than 860,000 acre-feet of water for the West. That is enough water to supply nearly 1 million families of four for a year.

In 2016, Reclamation proposes to fund WaterSMART at \$58.1 million. Those programs include \$23.4 million for the WaterSMART water efficiency grants, \$20 million for Title XVI Water Reclamation and Reuse funding, and \$5.2 million for Basin Studies, which have broad State and local support.

Basin Studies are an excellent tool that allows Reclamation to work with water managers and other water interests by convening a collaborative and proactive analysis of particular watersheds and working with stakeholders to identify options and strategies to respond to changing needs and anticipated shortages.

Although not under your jurisdiction, I thought you would be interested to know that USGS is asking for \$31 million under the WaterSMART program to help understand the quantity and quality of our water resources nationwide.

This year California is in the bull's eye with respect to drought. Interior, with the Departments of Agriculture and Commerce, is continuing to work with the State of California to pursue projects

that might help stretch California water supplies. In December of this year, Reclamation and partner agencies developed a draft Interagency 2015 Drought Strategy. I know Senator Feinstein is very familiar with this strategy.

On the Colorado River, Reclamation has been working with municipal providers in Arizona, California, Nevada, and Colorado on a Colorado River System Conservation Pilot Program to begin to address long-term imbalance on the Colorado River.

Finally, the Central Utah Project Completion Act Office, or CUPCA, is under the auspices of the Office of Water and Science. In this budget, we are no longer proposing that CUPCA be integrated into Reclamation. We will keep it a separate program in Interior, and we are requesting \$7.3 million for the budget for that this year.

The budgets of the Department of the Interior and the Bureau of Reclamation support these water priorities. We very much appreciate the support this subcommittee has shown for Reclamation's mission and projects over the year. That concludes my oral statement.

[The statement follows:]

PREPARED STATEMENT OF JENNIFER GIMBEL

Chairman Alexander, Ranking Member Feinstein and members of this subcommittee, I am pleased to appear before you today to discuss the President's fiscal year 2016 budget for the Department of the Interior's Bureau of Reclamation and Central Utah Project Completion Act. I would like to thank the members of this subcommittee for your efforts to enact a fiscal year 2015 appropriation, and for your ongoing support for our initiatives.

The 2016 budget request is \$13.2 billion for the Department of the Interior. The Secretary will testify later this month before various Congressional committees on the Department's request. I am here today to discuss the President's fiscal year 2016 budgets for the Bureau of Reclamation and the Central Utah Project Completion Act, which is a Department of the Interior program that reports to the Office of Water and Science. My office is also responsible for the United States Geological Survey, which is funded by the Interior and Environment Subcommittee. As in the past, we are thankful to the subcommittee for your continued support of these programs.

INTRODUCTION

The Department of the Interior's mission affects the lives of all Americans. Interior has stewardship of 20 percent of the Nation's lands, oversees the responsible development of 21 percent of U.S. energy supplies, is the largest supplier and manager of water in the 17 western States, maintains relationships with 566 federally recognized Tribes, and provides services to more than two million American Indian and Alaska Native peoples. This budget enables the Department to carry out its important missions in resource stewardship, balanced development of energy and mineral resources, water management and conservation, providing opportunities to youth and veterans, resilience in the face of a changing climate, advancement of self-determination and stronger communities for tribal Nations, and fulfilling commitments to Insular communities. The Interior Department's fiscal year 2016 budget maintains core capabilities to meet these responsibilities and proposes investments in key priorities.

ENSURING HEALTHY WATERSHEDS AND SUSTAINABLE, SECURE WATER SUPPLIES

The 2016 budget addresses the Nation's water challenges through investments in water conservation, sustainability, and infrastructure critical to the arid Western United States and its fragile ecosystems.

*Drought*

Ongoing and multi-year droughts in California and across other Western States are resulting in water shortages impacting agriculture, municipalities and ecosystem functions and underscoring the importance of improving the resilience of

communities to the effects of climate change. In 2014, Reclamation awarded \$17.8 million in WaterSMART water and energy efficiency grants and \$20.0 million in Title XVI Water Reclamation and Reuse projects that contribute significantly to drought response and resilience. In November 2014, Reclamation awarded \$9.2 million for 131 research projects within five research priority areas. The research projects are leveraged with partners providing \$3.8 million in non-Federal cost sharing.

The Departments of the Interior, Agriculture, and Commerce are continuing their work with the State of California to accelerate water transfers and exchanges, provide operational flexibility to store and convey water, expedite environmental review and compliance actions, and to pursue new or fast-track existing projects that might help stretch California's water supplies. In December 2014, Reclamation and partner agencies developed a draft Interagency 2015 Drought Strategy for the Central Valley Project (CVP) and State Water Project (SWP) which outlines a preliminary framework for the Drought Contingency Plan for Operations of the CVP and SWP, the Drought Contingency Biological Monitoring Plan, and other Drought-Related Measures.

The U.S. Geological Survey is providing California managers and residents with timely and meaningful data to help decisionmaking and planning for the State's water resources as drought affects stream flow across the State, reducing reservoir replenishment, and increasing groundwater depletion. In December 2014, the USGS released an interactive California Drought visualization Web site to provide the public with atlas-like, State-wide coverage of the drought and a timeline of its impacts on water resources.

In the Colorado River Basin, Reclamation is working with the seven Basin States to craft new strategies to ensure critical infrastructure, such as the Hoover and Glen Canyon Dams, continues to operate as intended and to assist agricultural and municipal users in addressing current and future water challenges. In July 2014, Reclamation and municipal water providers in Arizona, California, Nevada, and Colorado signed a landmark water conservation agreement called the Colorado River System Conservation Program to address the long-term imbalance on the Colorado River caused by years of drought conditions.

In the Klamath River Basin, Interior is working with other Federal agencies, Oregon, California, Tribes and local stakeholders to implement authorized actions designed to alleviate the impacts of drought by reducing water demand in conjunction with activities that improve habitat, and restore fisheries.

#### *WaterSMART*

The budget includes \$89.0 million for WaterSMART programs in Reclamation and the U.S. Geological Survey, a \$22.1 million increase from 2015, to assist communities in stretching water supplies and improving water management. This funding supports the Department's goal to increase by 975,000 acre-feet, the available water supply for agricultural, municipal, industrial, and environmental uses in the Western United States through water-conservation programs by the end of fiscal year 2016. The budget includes \$5.2 million for Reclamation's Basin Studies program. The WaterSMART program's Basin Study component leverages funding and technical expertise from the Bureau of Reclamation in a collaborative effort with knowledgeable State and local water practitioners. Basin Studies aim to identify practical, implementable solutions to existing or anticipated water shortages and to support related efforts to ensure sustainable water supplies. The Basin Studies conducted to date advanced the state of knowledge about the dynamics of each particular watershed and generated a collective expertise to formulate constructive actions to address imbalances.

In addition to \$1.1 billion requested for the Bureau of Reclamation within the jurisdiction of the Energy and Water Subcommittee, the budget also requests over \$220 million for the U.S. Geological Survey's water programs to provide scientific monitoring, research, and tools to support water management across the Nation. USGS research conducted under the Department's WaterSMART program includes characterizing long-term trends in streamflow, assessing groundwater availability, quantifying water losses to the atmosphere, estimating water use requirements, and developing tools to understand the ecological impacts of changes in water availability.

#### POWERING OUR FUTURE

To encourage resource stewardship and development objectives, Interior is shifting from a reactive, project by project resource planning approach to more predictably and effectively managing its lands and resources. Interior's focus on powering

America's energy future supports an all-inclusive approach including conventional and renewable resources on the Nation's public lands.

#### HYDROPOWER

Hydropower is a very clean and efficient way to produce energy and is a renewable resource. Each kilowatt-hour of hydroelectricity is produced at an efficiency of more than twice that of any other energy source. Further, hydropower is very flexible and reliable when compared to other forms of generation. Reclamation maintains 475 dams and over 8,000 miles of canals and owns 76 hydropower plants, 53 of which are operated and maintained by Reclamation. On an annual basis, these plants produce more than 40 billion kilowatt hours of electricity, enough to meet the entire electricity needs of over 3.5 million households.

The Department signed a Memorandum of Understanding (MOU) with the Department of Energy and U.S. Army Corps of Engineers in 2010 to increase collaboration among those agencies and strengthen the long-term relationship among them to prioritize the generation and development of sustainable hydropower. This Administration is committed to increasing the generation of environmentally sustainable, cost-effective hydropower on existing dams and conduits for our national electricity supplies as efficiently as possible. Activities under this MOU have been ongoing, and have resulted in accomplishments such as assessments of potential conventional and pumped-storage hydropower resources on Federal and non-Federal lands and facilities; a collaborative basin-scale pilot project in the Deschutes Basin (Oregon) and the Bighorn Basin (Wyoming and Montana); and grant opportunities for research and development of new technologies.

Reclamation is supporting non-Federal development of hydropower through Lease of Power Privilege (LOPP), and updated the LOPP Directive and Standard in 2014 to incorporate the Bureau of Reclamation Small Conduit Hydropower Development and Rural Jobs Act (PL 113–24) of 2013. As a result of Reclamation's focus on non-Federal hydropower development and the implementation of PL 113–24, there are now 9 LOPP hydropower projects online with 19 additional projects moving through the process. The LOPP process allows new hydropower development while preserving, maintaining, and sometimes enhancing environmental protections to ensure that any new projects will be developed in an ecologically sensitive and environmentally sustainable manner.

Additionally, Reclamation is working with Federal and non-Federal partners to restore species in ecosystems that were damaged by past Federal multipurpose dam construction. For example, the budget includes \$18 million for restoration of endangered salmon on the Columbia and Snake Rivers to ensure that the Federal Columbia River Power System can meet Endangered Species Act requirements and Reclamation's Pacific Northwest Region can continue to generate approximately 23.7 million MWh of electricity (net) per year.

To further support the Powering Our Future initiative, the 2016 Reclamation budget includes \$1.3 million to implement an automated data collection and archival system to aid in hydropower benchmarking, performance testing and strategic decisionmaking; investigate Reclamation's capability to integrate large amounts of energy generated by renewable resources such as wind and solar into the electric grid; and work with Tribes to assist them in developing renewable energy sources. These important projects will assist in the production of cleaner, more efficient, ecologically sensitive, renewable energy.

#### STRENGTHENING TRIBAL NATIONS—INDIAN WATER SETTLEMENTS

The Department's programs maintain strong and meaningful relationships with native and insular communities, strengthen the government-to-government relationships with federally recognized Tribes, promote efficient and effective governance, and advance self-governance and self-determination. The 2016 budget makes significant new investments to improve Interior's capacity to work with and support Tribes in the resolution of their water rights claims and develop sustainable water sharing agreements and management activities.

Interior's investments in Indian Water Settlements total \$244.5 million in Reclamation and Indian Affairs for technical and legal support and for authorized water settlements, an increase of \$73 million over 2015. This includes \$40.8 million for Interior-wide technical and legal support, and \$203.7 million for settlement implementation, of which \$136.0 million is funded by the Bureau of Reclamation. In 2016, Interior will complete the funding requirements for the Taos Pueblo Indian Water Rights Settlement Act.

## ENGAGING THE NEXT GENERATION

By September 30, 2017, the Department of the Interior will provide 100,000 work and training opportunities over 4 fiscal years, 2014 through 2017, for individuals ages 15 to 35 to support the mission of the Department. To meet the Secretary's challenge to Engage the Next Generation, Reclamation will strive to expand youth programs and partnerships to accomplish high priority projects, promote quality participant experiences, and provide pathways to careers for young people through temporary positions with the bureau, as conservation interns, or as part of conservation work crews in conjunction with partnering organizations.

## CENTRAL UTAH PROJECT

The Central Utah Project Completion Act (CUPCA), Titles II—VI of Public Law 102-575, provides for completion of the Central Utah Project (CUP) by the Central Utah Water Conservancy District (District). The Act also authorizes funding for fish, wildlife, and recreation mitigation and conservation; established an account in the Treasury for deposit of these funds and other contributions; established the Utah Reclamation Mitigation and Conservation Commission to coordinate mitigation and conservation activities; and provides for the Ute Indian Rights Settlement.

The 2016 budget for the Department of the Interior's CUPCA program is \$7.3 million. Of this amount, \$6.3 million will be expended from this account and \$1.0 million will be transferred to the Utah Reclamation Mitigation and Conservation Account for use by the Utah Reclamation Mitigation and Conservation Commission. The 2016 budget provides funding to continue the partnership with the Central Utah Water Conservancy District in the ongoing construction of the Utah Lake System facilities. The 2016 budget will also continue Interior's required program oversight activities and endangered species recovery program implementation through the Department's CUPCA Office.

## CONCLUSION

Thank you for the opportunity to testify on behalf of the President's 2016 budget for the Department of the Interior and the Bureau of Reclamation. We have the opportunity to positively impact our Nation's future for all generations through wise investments, collaboration, and new and innovative ideas to meet the future needs for the growth and prosperity of our Nation.

I look forward to working with the committee to implement this budget. This concludes my testimony and I am happy to answer questions.

Senator ALEXANDER. Thank you very much.

Now we will begin a round of 5-minute questions. We have a vote at 3:45. What we will do is just go right on through the vote, and I will go over and vote at about 3:45. We will just pass the gavel around so we can keep going and give every Senator a chance to ask his or her questions.

## INLAND WATERWAYS TRUST FUND

Let me begin, Ms. Darcy, if I may, with you. I am disappointed that there is no funding in the President's budget to begin replacement of Chickamauga Lock. But let me put it on a more national scope than that.

Two or 3 years ago, several of us, Senator Graham, I, others, sat down with the staffs of various Senators and said let's put aside all the practical problems. What do we need to do for a great country to have the kind of inland waterway system that it should have? And the staff came back with a plan. We talked with the Vice President about it and talked it around ourselves. In fact, we have gotten it done.

As I mentioned earlier, number one, we passed a law that excluded the Olmsted Lock or reduced the amount of money we spent on the Olmsted Lock, because it was soaking up all the money available for the inland waterway. Second, we worked with the industry and with the administration and we established a priority

list of which inland water projects should go in order, so it wouldn't be just a log-rolling exercise by senators and congressmen. Then, third, we enacted a user fee increase. In other words, the commercial users of the inland waterways volunteered, and we approved at the end of last year increasing the amount of money they pay to go through the locks.

So we did all three of those things, and all three of those things together should make it possible for the Corps over the next several years to do what we need to do in our country for inland waterways.

However, the Corps' budget does not propose to spend all of the money that is available in the Inland Waterways Trust Fund, specifically \$57 million is not being spent, according to information we have from your staff. So my question is, why did we go to all the trouble to increase the user fee if you are not going to spend it?

Ms. DARCY. Well, Senator, we are spending some of it. As you know, the Inland Waterways Trust Fund funds every other project but Olmsted on a 50-50 cost share. And the overall budget number for us within our construction account needs to be able to meet that other cost share.

In the case of Olmsted, we need to find 85 percent. And the other projects that are funded in this year's budget Monongahela Lock 2, 3, and 4, we had to find the 50 percent within the rest of the budget.

Senator ALEXANDER. You are saying you don't have enough appropriated money to match the trust fund money?

Ms. DARCY. In the President's proposed budget, we do not have an equal amount.

Senator ALEXANDER. Well, it is disappointing to me and hard to go back to the people whose taxes we raised, basically, and say we took your money but we are just going to put it on the shelf for a while. I would like to find a way, if I may, working with you to be able to fully fund the plan for building a great inland waterway system in this country. It will take several years.

#### CHICKAMAUGA LOCK

General Bostick, let me go to you. It is my understanding that between \$3 million and \$9 million could be appropriately used this year to restart work on Chickamauga Lock.

For example, with just \$3 million, the Corps could award a base contract to get started on the highest priority and earliest work, which is grouting the cofferdam. I am getting down to details here, but that is what we need to do. If \$6 million were available, the Corps could also start anchoring the cofferdam and construct a small pile wall.

In other words, if you had \$3 million, or if you had \$6 million, and you decided to spend it, you could begin to do work on the Chickamauga Lock, which is the fourth highest priority, which we are going to do, and which is in danger of being closed if we don't do this.

My understanding is also that your work plan does not obligate nearly \$6 million that could be spent on the lock or other critical waterway projects. So why don't you spend the available \$6 million to get started on the Chickamauga Lock, General Bostick?

General BOSTICK. First, Mr. Chairman, I would like to thank you and the subcommittee for the work you have done. I think all of those efforts to try to help our inland waterways are going to pay off in the future, and some immediately.

From a bigger picture, part of what we have to do is really look at the capital projects as a whole. And although we have priorities, we don't feel like we have done all of our work to properly assess those projects, and Chickamauga is one of them, on the economic benefits and the requirements that they have in maintenance.

So we are completing this capital projects report. That should be done by the summer of this year. And I think that will help us get a framework on how we should spend the taxpayer dollars.

The other thing I would address is on the work plan. There are opportunities in the months ahead to use that additional \$6 million. We will have, by the end of the month, provided some recommendations to Secretary Darcy, and she will work with the administration to determine the way ahead.

Senator ALEXANDER. Good. I have an opportunity to suggest for you for that \$6 million. I understand what you are saying, but I hope you understand what I am saying. We have developed the plan. We worked with you. We think you are doing a good job with the money you have. But if we are going to raise that money from the commercial barge people, we ought to spend it. That is what it is for.

And if we have a lock on the priority list and with \$3 million to \$6 million we can move along with it, I would suggest we do it.

My time is up. Senator Feinstein.

#### SAN FRANCISCO BAY SHORELINE STUDY

Senator FEINSTEIN. Thanks very much, Mr. Chairman. I am going to begin with a subject that I am very frustrated about, and that is the South San Francisco Bay shoreline study. I have had several conversations with Secretary Darcy about this, so, General Bostick, I would like to involve you in this, too.

This bay line study was congressionally authorized in 2002. That is 13 years ago. The work began in 2005. The purpose was to recommend flood risk management and ecosystem restoration projects along South San Francisco Bay for Federal funding.

The study continues to be a high priority for me and very frustrating.

This portion of Santa Clara County shoreline is at great risk from floods due to storms and high tides. And sea level rise we know is going to occur in the future.

So, more than 10 years have passed. The study is not done. In excess of \$10 million has been spent. There was a 6-month delay in 2005, 2006. There was a dispute between the Corps and the local sponsors, who would be responsible for the mapping. Between 2006 and 2010, there was a 2-year delay. Local sponsors informed me that the Army Corps of Engineer's research and development center took twice as long, 4 years instead of 2 years, and at twice the original cost, \$4 million instead of \$2 million, to complete the flood-plain maps.

The project had to be re-scoped in January 2011 to focus on the Alviso area to avoid the project getting further delayed. There was

then another 10-month delay between August 2013 and June 2014, when the Corps raised concerns about how the project would address sea level rise, even though the Corps had been aware of the design assumptions since March 2011.

In mid-2014, I was told the chief's report would be done by July 2015. A few months later, the schedule again slipped to December 2015.

During this long process, the lack of a completed chief's report has meant authorization of a potential project was missed in 2007 and 2014. And last week, we suffered another blow. The Corps unveiled its fiscal year 2015 work plan and 2016 budget and no money, zero, was allotted to completion of this high-priority study.

So can you tell me how you plan to finish the chief's report by December 2015 as promised without Federal funding in the 2015 work plan and the 2016 budget?

General.

General BOSTICK. We currently have funds on hand to continue to move the study forward.

Senator FEINSTEIN. Could you tell me how much?

General BOSTICK. I would have to follow up with you on the exact amount.

Senator FEINSTEIN. Will you tell me how much?

General BOSTICK. We can. I don't have that number now, Senator.

Senator FEINSTEIN. So it is your intention to continue with the study?

General BOSTICK. We will continue the study. We will at some point need additional funds. As I talked about earlier, we would work with Secretary Darcy on recommendations on how work plan funds might be utilized.

Senator FEINSTEIN. So you will meet the December 2015 deadline?

General BOSTICK. We will. We will meet the December 2015 deadline.

Senator FEINSTEIN. Shall I ask you to raise your right hand, and swear to God?

General BOSTICK. If you want me to raise my right hand, I will do that, ma'am.

Senator FEINSTEIN. Got it.

General BOSTICK. We are doing everything we can to stay on top of this.

Senator FEINSTEIN. Okay. It is really a high priority for that area. As you know, there is a lot of high-tech right on the water there. There are cities. There is a sewage treatment plant that serves 1 million people. It could be catastrophic if that area floods.

General BOSTICK. I understand.

Senator FEINSTEIN. I am going to hold you to your word, General. Thank you.

#### SALT PONDS

Now, while I have you, it has come to my attention that the Corps is performing some type of wetlands evaluation pertaining to salt ponds in the north end of San Francisco Bay near the Port of Redwood City. I discussed it with one of the generals this morning.

Apparently, these salt ponds are being considered for some type of potential development, and the press has said that the Army Corps is about ready to say that certain parts of the bay behind a dike are not waters of the United States. It is my understanding that that differs with the EPA.

It is a highly sensitive matter, and I would appreciate knowing what the Corps' position is. I intend to go down there and take a look myself next week.

General BOSTICK. We haven't come to a conclusion, at this point. We are working with the EPA on this issue, and General Peabody has been out there. He is going out again next week, and will look at several sites and have an opportunity to talk about this.

We are working very closely with EPA and Justice, to make sure we come to the appropriate conclusion on the way ahead.

Senator FEINSTEIN. Well, I would hope you would work with me. I am kind of the mother of that whole salt ponds situation. I got the funding. I got the State money. I got the private money to buy the land from Cargill. I know exactly what has been planned, and I am very concerned about this. What makes our whole area is the bay, and we do not want it filled.

And I have the pleasure of speaking with General Peabody next week. It is my intention to come down there on Tuesday, General, at 11 o'clock, so I will take a look for myself.

General BOSTICK. We will absolutely work closely with you on this, Senator.

Senator FEINSTEIN. Thank you very much.

Senator ALEXANDER. Thank you, Senator Feinstein.

Senator Cochran.

#### MISSISSIPPI RIVER AND TRIBUTARIES

Senator COCHRAN. Mr. Chairman, thank you very much for presiding over this hearing and providing leadership for our subcommittee. And my thanks for our panel coming here today to talk about the President's budget submission for the Army Corps of Engineers and the Bureau of Reclamation.

I have put my statement in the record describing the steady, but sure decline of commitment from the Federal Government for its inland waterways system maintenance, projects such as the Mississippi River & Tributaries project, similar projects but smaller throughout the country that have come in for some of the lowest budget requests that I have seen since I have been in Washington. We started out poor, and we're getting poorer.

I wonder what the reaction of the administrators are as to what kind of frustration you might be enduring, and what you can suggest to the subcommittee for ways to ameliorate or help minimize the practical consequences of this budget.

I don't want to just fuss about it, but I would like to get into some of the specifics.

For example, on the Mississippi River & Tributaries project, only \$225 million is requested. That sounds like a big number, but guess what? That is more than \$100 million below the average amount of funding provided by Congress over the last 30 years.

What is your reaction, General, to the overview that this presents to our subcommittee?

General BOSTICK. Senator, I can speak to it from a leader standpoint and from one who has to execute the mission that the country has asked us to do. It is challenging. It is very challenging for us to execute our mission with the funding levels that the taxpayers are able to afford and what the country is able to afford.

We state what the priorities should be, and where the focus should be. But at the end of the day, when the President looks at the budget, when the Nation looks at the requirements across this country, priorities have to be set. And I am not privy to those. I respect all the decisions that are made.

What I would say in our area is we have to look at how we become more efficient. I think we can become more efficient in how we use taxpayer dollars. I think that we have to look at alternative means of financing.

You gave us the opportunity through WRRDA with public-private partnerships. I don't think the Federal Government, even if it could pay all of the needs of the inland waterways—and there are many needs that are there. I think we have to be part of the solution to be innovative and creative in how we move forward.

#### MISSISSIPPI DELTA REGION PROJECTS

Senator COCHRAN. One other example of the budget request that is out of line with what has been the suggestion is the Yazoo Backwater projects in the Mississippi Delta region are also going to be subjected to substantial cuts. The combined annual benefits of the projects, by comparison, are roughly \$77.7 million. But the budget submitted by the President, once again, doesn't request funding for the headwaters project or the Upper Yazoo project.

But given the importance to the lives of the people of that region, and their property and the sustainability of the economy in the region, it makes it clear that something has to give or that project is going to be dead in the water.

The Federal Government has invested more than \$700 million up to this point in these projects. This is the construction phase now that is over 30 years in the making. But because of inadequate funding, it is going to be, as I said, dead in the water.

I am going to ask you, if you can, to give the subcommittee the benefit of your suggestions, as to how we can compromise, if there is a way to come together with something less than had been requested in the budget by the Congress and the reality of how much you are likely to be permitted to spend by fiat of the Federal Government, after we are completed with this legislation.

Are there other comments that maybe the administration's representative can give us some thought on?

Ms. DARCY. One of the issues that General Bostick mentioned is one that we need to work on, collectively as a government, and that is finding public-private partnerships or other alternative financing mechanisms to try to meet some of the needs that remain unmet, both with Federal dollars and local dollars.

I think one point, Senator, is that in the 2015 work plan, we did fund the Delta Headwaters in Mississippi.

Senator COCHRAN. Mr. Chairman, my time is up.

Senator ALEXANDER. Thank you, Senator Cochran.

At about 3:40, I am going to go vote and come right back, so we will just let the hearing go straight through. I will ask Senator Feinstein if she will wield the gavel during that period of time, then I will take it back in time for her to vote.

Senator Merkley.

#### SMALL SUBSISTENCE AND EMERGING HARBORS

Senator MERKLEY. Thank you, Mr. Chairman. Thank you all for your testimony.

Assistant Secretary Darcy, on our coast in Oregon, we have a lot of very small ports that have a whole variety of their economy affected by crabbing, shrimp, groundfish, salmon, tourists, whale watching. Boats go out for every possible reason. But the dredging of these ports was in the President's proposed fiscal year 2015 budget, but they have all been zeroed out for fiscal year 2016.

I am assuming, just to kind of shorten the conversation, that the assumption is that here in Congress we will do a small port carve-out as we have for the last few years, and then some funds will be redistributed to the high dredging or high-need areas. Is that the plan?

Ms. DARCY. No, Senator. What we have provided in the Harbor Maintenance Trust Fund account is \$91 million for small subsistence and what are termed emerging harbors, which is 10 percent of the overall request for the Harbor Maintenance Trust Fund.

Senator MERKLEY. And then there will be a work plan that will come out as to where those funds will go?

Ms. DARCY. If the 2016 budget is enacted—

Senator MERKLEY. What I am trying to clarify is the fact that those ports are zeroed out in the President's budget does not mean that your intention is that the dredging stop on those small ports.

Ms. DARCY. The dredging needs vary from year to year—what we have determined for this fiscal year in the 2016 budget is that it is not necessary to be funded in this fiscal year. We have to go port by port to see which ones—

Senator MERKLEY. Right. So I will be in close communication with you all about that. There are some ports that you can get away with every other year dredging.

Ms. DARCY. And some every 5 years. It all depends on the turbidity and the—

#### CROOKED RIVER PRINEVILLE RESERVOIR

Senator MERKLEY. I just want to make sure that the economy of our Oregon coast doesn't shut down, as it has come close to a number of times when dredging was not funded. So I will keep an eye on that in conversation with you all.

Commissioner López, one of the things that passed at authorization at the end of last Congress was a resolution to end 40 years of water wars on the Crooked River Prineville Reservoir. There is a piece of that that requires developing a water management plan, an annual release schedule, if you will. I just want to draw that to your attention. I know that will take some resources from the Bureau of Reclamation, but it is going to be a critical part.

Crooked River is in the budget. But I just wanted draw it to your attention and say, in this first year of implementation of this

agreement, after decades of fighting over the water, how important it will be for us to make sure that it happens in a timely and competent basis.

Mr. LÓPEZ. Senator, I am aware of this legislation and I know in the last couple of weeks there have been a whole series of meetings between our area and regional staff with Oregon State officials and water users out there to begin to map out exactly how we go about the implementation of this, both moving the Wild and Scenic River boundary and also doing some water rights applications that need to be set in motion. We are engaged in that and will continue to work on it.

#### WATER FOR IRRIGATION, STREAMS AND ECONOMY

Senator MERKLEY. Thank you. And I will mention in my last few seconds here that the pilot project in Talent Irrigation District with Bear Creek, the funding is much appreciated. That was announced last week. Thank you.

It is basically a situation where piping is put into an irrigation system to save water, and then more water can stay in the streams, so diversion is eliminated, therefore, it's better for the irrigators, better for the salmon.

This is a pilot project for a program called WISE, Water for Irrigation, Streams and Economy. That larger project is one that Oregon has set aside matching grants for. It is something on which I would like to be a dialogue with you all about, because it, certainly, has a huge potential impact doing right by the irrigation districts and improving the streams and habitat in the process.

Thank you very much.

Senator ALEXANDER. Thank you, Senator Merkley.

Senator Feinstein has agreed to preside for the next few minutes while I go cast an early vote. So the next Senator will be Senator Lankford and then Senator Udall.

#### WATER RESOURCES REFORM DEVELOPMENT ACT

Senator LANKFORD. Thank you for allowing me to jump in the conversation. It is good to see several of you again. I need to ask some questions about the Water Resources Reform Development Act, the WRRDA Act that we passed last year, one of the rare things that did pass through Congress last year. And it has a requirement to conduct an assessment of all the properties from the Corps of Engineers to determine which are "not needed for the mission of the Corps of Engineers." So it is an inventory statement and then a basic ability to be able to say these are priority areas, these are possibly not priority areas. Has the Corps begun that assessment, at this point?

General BOSTICK. We have begun that assessment. I believe you are referring to the \$18 billion of projects that we believe we can recommend for deauthorization.

Senator LANKFORD. It is from WRRDA from last year. It is just a list of all projects, so it is not just the new but it is a current inventory of all projects nationwide.

General BOSTICK. Yes. We are working on that as well. We think we have a pretty good handle on the infrastructure assessment, and we feel like that is progressing well.

Senator LANKFORD. What is your best guess on when Congress will have that report?

Ms. DARCY. Can I offer that? We will have the \$18 billion deauthorization report to Congress by this September.

Senator LANKFORD. Okay, by September. And the obvious next question is then, there is a desire to say if there are certain projects that are not priority projects, then there is the opportunity to say these projects should be divested or find other entities, whether it be States, counties, cities, whatever it may be, that may want to take on the management of that, if there are nonpriority projects.

What is the best way to be able to handle that disposition, from the Corps' perspective?

General BOSTICK. We are required through WRRDA to provide a list of \$18 billion worth of projects that are authorized that we believe we can deauthorize, and we will provide that list as well.

Senator LANKFORD. It is not just a list of them. It is the actual process of divesting. The obvious thing for the Federal Government is we have a lot of extra real property laying around. We have had a very difficult time transitioning it out of Federal hands.

General BOSTICK. We had to divest of a project a couple of years ago that we had been working on, and it took quite a long time and quite a lot of money just to divest. I am not able to tell you now that the process, once we have that list of how we divest, what work we will need and support we will need from Congress. But we will be happy to provide that. It is a difficult process, as it is currently set up.

#### PROJECT PRIORITIZATION

Senator LANKFORD. Okay. That is an understatement, to say the least. We have had a tough time letting go of different facilities and things. So one of the goals that I would have in the days ahead is that, the Corps obviously will never have enough money, but to make sure that the low-priority things that we have, things that could be divested, the Corps doesn't have to spend money on. That can be transitioned so that money can then be spent on the things that are the high priorities or that are essential, to help protect some of those dollars.

One of the questions from your statement, General Bostick, you talked about one of the priorities was to modernize the planning process of this. One of the struggles in the past has been the Corps has so many projects going on at once. Is there a plan to say we are going to invest more dollars faster in a project in order to get this done, knowing that it is more expensive to stretch it out over 10 years than it is to do it in 5, but that means doing fewer projects, but the projects that you do are cheaper and faster. Is that in the conversation?

General BOSTICK. Absolutely. Secretary Darcy talked a bit about this in her opening remarks, about completions. One of the things we try to focus on, both with studies and construction, is if this increment of funding will complete the project. So one of the guiding principles is to look at completions.

The other thing that we are doing on the front end is to make sure on these chief's reports, and going back to what we talked

about on modernizing the process, is to say you can't take 10 years, 15 years to study this. And we forced ourselves to come inside that 3-year window, and we have done pretty well with that. We had to do some exceptions, but that process is allowing the whole process to go faster.

Senator LANKFORD. Anything that we can do to keep moving on that. That Three Rivers project, obviously, is an example of that, and all the conversations were so long. And now that is moving and going, but there will be so many other areas to look at and say, how can we get this done faster?

#### WATERS OF THE UNITED STATES RULE

One last question on it is the issue of the increase in the budget dealing with the regulatory activity. This a \$5 million increase. Obviously, there are other areas. Is that related to the Waters of the U.S. Rule and anticipating increased regulatory cost in that area?

Ms. DARCY. Yes.

General BOSTICK. Yes.

Senator LANKFORD. Do you know how much that is going to be eventually? Is that just an initial guess, an assumption the \$5 million is going to be the basic?

Ms. DARCY. It is an initial assumption, assuming that the start-up costs for doing the implementation once the rule is final. And that initial \$5 million is more than we had last year.

Senator LANKFORD. Will there be an anticipation that this subcommittee will be asked to have additional monies moved out of other project areas into regulatory areas because of that rule in the days ahead?

Ms. DARCY. No, sir.

General BOSTICK. We believe it is going to be initially more expensive, but then it will come down and settle. What we are doing now is hiring 125 regulators that we couldn't hire because of sequestration and another 25 in order to handle Waters of the United States, if it is passed.

Senator LANKFORD. Okay, thank you.

I yield back.

Senator FEINSTEIN [presiding]. Senator Udall.

#### RIO GRANDE ENVIRONMENTAL MANAGEMENT PROGRAM

Senator UDALL. Thank you, Senator Feinstein.

Secretary Darcy, last year, the Corps held stakeholder workshops in New Mexico and elsewhere to better understand the specific concerns of stakeholders and their water resources management priorities associated with the Rio Grande. I appreciate these efforts. It is important that the Corps continues to work with local interests and listen to local people.

One program, in particular, that was highlighted as very important is the Rio Grande Environmental Management Program. On January 28, I along with Senator Heinrich wrote you a letter urging you to include \$150,000 in fiscal year 2015 study funding for the Rio Grande Environmental Management Program. Unfortunately, we received a response stating that funds were not made available for this program due to other priorities.

This is an important program. I am hoping to work with you to ensure this program is funded.

Can you talk a little bit about why this project is not being funded in fiscal year 2015? Are there other accounts that provide funds for similar work?

Ms. DARCY. Senator, you are correct. It was not included in the 2016 budget. This is an environmental program. It is not a project-specific program. So the development of what the components of this program would be would need to be developed, as well as finding a local cost-share sponsor. Then it would still also have to compete with other new programs within our larger program.

Senator UDALL. Okay, thank you.

#### REIMBURSEMENTS

General Bostick, local communities in New Mexico and elsewhere, I believe, in the country have advanced funding to cover Federal costs in environmental infrastructure projects in this country. They did this to accomplish needed projects more efficiently and reduce overall costs to the Federal Government.

Two public entities in my State are owed money from the Corps for these projects. When funds are appropriated in these authorities, reimbursements are not being made to pay back these costs. Will you continue to work with me to ensure that these past owed reimbursements are paid back to these communities in the future?

General BOSTICK. Senator, I am not aware of this issue, but I am happy to look into it and work with you to close it out and find out what we actually owe, and if so, we will clear it up.

Senator UDALL. It is a big issue, and it is more than just the \$10 million to the City of Rio Rancho. It is a big issue, I think, across the country, is my understanding.

But thank you for your willingness to work with me on it.

#### NATIVE AMERICAN AFFAIRS PROGRAM

Commissioner López, in your testimony, you highlighted tribal priorities, and the one thing I struggle to comprehend is the fact that many native communities in New Mexico do not have adequate water infrastructure, and in some cases, no running water at all, as you well know.

Does the Native American Affairs Program under the Bureau of Reclamation aim to address some of these issues?

Mr. LÓPEZ. Senator Udall, the Native American Affairs Program is intended to certainly work on any technical issues that a Tribe might have regarding its water supply. Further, it gives us an opportunity to negotiate on the water right settlements, if a particular tribe has outstanding claims that have not yet been resolved.

So I think it does give us an avenue for beginning those conversations and figuring out how we might begin to address those issues.

Senator UDALL. Great. Could you talk a little bit about water leasing and why it is important? I know that that is part of what some of the stakeholders in the Middle Rio Grande Project want to do.

Mr. LÓPEZ. Certainly. Senator, the Rio Grande, as you know, is oversubscribed. In many years, essentially all of the water was spoken for. But if it were not for leasing water, the river would go dry, and there would be no water to sustain the endangered species in the river.

Historically, Reclamation has leased San Juan-Chama water from people who have not yet put that water to use. Increasingly, that water is being put to use by the cities to whom it is under contract. Therefore, it is increasingly important that we find other leasing mechanisms, including through willing buyer, willing seller methods, whereby a farmer or a group of farmers might get together and decide that, in a dry year, it is more advantageous for them to lease that water and sustain the river, and thereby keep the endangered species alive.

Senator UDALL. Great. Thank you very much. And welcome, again.

Thank you, Senator Feinstein.

Senator FEINSTEIN. Thank you, Senator Udall.

Senator Murkowski.

#### ARCTIC DEEP-DRAFT PORT STUDY

Senator MURKOWSKI. Thank you, Madam Chairman.

To the panelists, thank you for being here today and for your work.

Secretary Darcy, I want to talk with you about some of our civil works construction projects. I will start first by thanking you. We have four new feasibility studies included. I know that the communities of Kotzebue, St. George, Craig are going to be pleased moving forward with this. The conversation about the subsistence and small boat harbors, know how critically important that is to us, as we try to develop these small coastal economies, that the boat harbors and these subsistence harbors are just so critically important.

I am going to be starting off I think every appropriations hearing I'm participating in challenging agencies and members of the administration as to where we are with implementation of any aspect of an Arctic strategy.

So to my colleagues, you are just going to get used to these questions, because it is very pressing to me.

As you know, Secretary Darcy, we are an infrastructure-poor State. We face some challenging conditions when it comes to construction of some of our infrastructure along our coastline. We are, of course, trying to move forward with an Arctic deep water port, and the port study has been underway for some period of time. I am told that this report is going to be issued by the Corps soon. But around here, you are never quite sure what "soon" means.

Can you give me the status of the Arctic deep-draft port study?

Ms. DARCY. The draft will be released in February 2015, and we are tentatively expecting a civil works review board to be scheduled for August.

Senator MURKOWSKI. Okay, so as soon as this month, then?

Ms. DARCY. It says February 2015, so yes, ma'am.

## CONTINUING AUTHORITIES PROGRAM

Senator MURKOWSKI. Okay, we will be looking for that within the next week to 10 days or so. Again, a critically important initiative for us, and know that I will be asking you more about what we can be doing in the intercoastal communities to provide for that necessary arctic infrastructure when it comes to ports and our harbors.

I wanted to ask, also, about where we are with the continuing authorities program. As you know, we have many, many small navigation projects where our harbors are at risk from coastal erosion. We have different storm issues that we are dealing with.

Barrow, for instance, is in need of beach restoration in order to keep parts of town from basically being washed away here, and Barrow is just one community. The situation is that they can't wait for a period of years that it takes for the funds to be appropriated for a feasibility study, and then for the WRRDA Act to be passed and then more funds to be appropriated for construction.

So, in looking at the budget, we see that section 107, which is the navigation, and section 103, the beach restoration of the continuing authorities program, is not receiving any funding in fiscal year 2016. So I am trying to understand what is going on within this category.

We have a significant reduction in funds between fiscal year 2015 and fiscal year 2016. Are we phasing out the continuing authorities program in general? What is happening with this?

Ms. DARCY. Senator, we are not phasing out these programs, because, as you pointed out, they are very important, especially to some smaller communities. These programs and projects, have a lower funding level and they don't go through the feasibility and chief's report process. We have some unobligated balances in those accounts, so that is one of the reasons we did not fund some of them; we can carry those over to this year.

Senator MURKOWSKI. And you have sufficient balances, then, that will allow you to address the unmet need at this point in time?

Ms. DARCY. Within our budgetary constraints we do, yes, ma'am.

Senator MURKOWSKI. Okay. I am going to be coming back to you, because I think you know that we have identified again, many of these coastal communities where the dollar amount is not high, but for purposes of what they are trying to do in dealing with beach erosion and shoreline erosion issues and just with sea level issues, it has to be addressed sooner than later. And it is nice to know that you have unobligated balances, but I am going to want to know for sure that we are going to be able to address some of these needs.

Thank you, Madam Chairman.

Senator FEINSTEIN. I thought you were going to get a "yes" there for a minute.

Senator MURKOWSKI. I know, I know. We're working on it.

Senator FEINSTEIN. Senator Coons.

## HARBOR MAINTENANCE TRUST FUND

Senator COONS. Thank you, Senator Feinstein and thank you, Chairman Alexander. This is my first hearing as a member of the E&W Appropriations Subcommittee, and I want to thank Roger for

his 35 years of service and say that hopefully my arrival has nothing to do with your impending departure. Thank you for your decades of good and faithful service here.

To Assistant Secretary Darcy, I just wanted to open by thanking you for your continued support of a project that is near and dear to my constituents, the Delaware River deepening project. I very much appreciate the additional \$62.5 million in the fiscal year 2015 work plan that will fully fund the work needed to be done in fiscal year 2016. This is a critical year for this project that is of great impact to the whole region, and I am glad it is going to be moving forward and being completed.

One of my legislative priorities is to increase utilization of the Harbor Maintenance Trust Fund. I was somewhat disappointed that fiscal year 2016 request doesn't meet the target set out in WRRDA of \$1.3 billion. The request of \$915 million is the same level requested in 2015 and lower than provided in the omnibus.

How will this lower request effectively maintain our Nation's navigation channels and harbors, and maintain our global competitiveness? So please, thank you, and question.

Ms. DARCY. Senator, the \$915 million that is in the President's budget for the Harbor Maintenance Trust Fund, as I said in my testimony, is the second year in a row that it has been that high. Given our current budget constraints, this is the amount that we think we can use in this fiscal year in order to maintain, especially, the 59 busiest commercial harbors in the country, which transport about 90 percent of the traffic.

Also, this is in compliance with the set-aside. As Senator Murkowski and others noted, we have a 10 percent, \$91 million allocation for small, subsistence, emerging harbors, which was another requirement of the WRRDA bill.

#### NATURAL DISASTER PREPAREDNESS

Senator COONS. Thank you for the answer. I look forward to working with you to find ways to strengthen support for smaller harbors.

The North Atlantic Division just put out an impressive, somewhat comprehensive report about the lessons learned from Superstorm Sandy, which was a very expensive storm. The total Sandy relief I think is \$65 billion. And I was wondering if we know how well shore protection and other vital Corps projects helped to reduce the amount of damage from the superstorm, and if you did any quantification of the damages and costs avoided because of these vital Corps projects?

Ms. DARCY. I believe we did. I don't have the numbers at my fingertips, but we can provide them for you. I think they were in the Sandy report.

But I would just note that the day after the storm, General Bostick and I went up to New York and New Jersey and flew over, and you could see the difference between where there had been a storm damage reduction project and where there had not been a project. The damages were incredible.

The projects worked as designed in those places where they had built a beach nourishment project.

## CLIMATE CHANGE

Senator COONS. Well, I'm excited to see that the Silver Jackets programs are expanded again in fiscal year 2016 to help communities prepare for natural disasters. To me, one of the core components of the emergency preparedness, emergency management is preparing for climate change. It has been estimated every dollar we invest in natural disaster preparedness, we might be able to save up to \$4 in emergency response. Your citation of the Superstorm Sandy impacts suggests that.

Could you elaborate on how we are preparing for the impact of climate change and how that factors in to your investment and decisionmaking for the Army Corps at the programmatic level?

Ms. DARCY. Certainly, Senator.

Since 2009, the Corps of Engineers has been requiring climate change to be factored into the mainstream lifecycles of all of our projects, from the planning for future projects as well as for looking at our ongoing projects. All new projects and planning must comply, and apply these new policies and guidance, including the three different scenarios for sea level change over time. When we are looking at a project, we look at it through the lens through those three possibilities.

For existing projects, we conduct progressively detailed assessments to understand possible impacts. We have done a coastal assessment of all of our projects to determine what it is their vulnerabilities would be from not only different sea level changes, but climate change as well.

So those are some of the things we have started to do already.

Senator COONS. General Bostick.

General BOSTICK. The only other piece I would add, and I talked about this briefly in my opening remarks, is that we are looking at these watersheds as a system, more than individual projects. How does a system of projects demonstrate the kind of resilience that it needs in the face of disasters? We are working with the industry. We are working with a lot of think tanks and academia, to really understand how we do this. And then is there a way that would lead to watershed-informed budgeting.

There is a lot of work that I think can happen in this particular area.

Senator COONS. Thank you, General Bostick. Thank you, Secretary Darcy.

I am from the lowest mean elevation State, so I have an abiding interest in how we deal with and plan for climate change and its impact on our coasts and waterways.

Thank you very much.

Senator ALEXANDER [presiding]. Thank you, Senator Coons.

Senator Tester.

## RURAL WATER

Senator TESTER. Thank you, Mr. Chairman. I once again want to thank the panelists for being here today.

We are going to start with you, Commissioner López. There are a lot of rural water projects out there. Montana has a couple right now. I was first introduced to those water projects when I was run-

ning for the State Legislature. They were \$100 million projects. Now they are north of \$300 million. The same projects. Haven't added anything on. That is just the way it has gone.

The allocation in this budget is anemic for those water projects. I would make the claim it doesn't keep up with the cost of inflation. Now we may add additional dollars like we did last year, but it's not good.

Is there a plan for getting these projects fixed in a timely manner? I mean, we are talking about projects that connect up with Indian water settlements, where the water is fairly critical if we are going to have economic development to move those folks out of poverty.

Can you give me any insight on that, or do we just live with getting a percentage point a year? What are we going to do about it?

Mr. LÓPEZ. Senator, in these constrained budget times, it is extremely difficult to allocate additional funds to these projects when our core mission requires so much of our budget. We will continue to allocate as much of our budget as we possibly can to move these projects forward.

I want to thank this subcommittee for the additional funds that we received in 2015. But I think the best we can do is to try to prioritize the projects. I think you know about our criteria for prioritizing spending for the funds that we do receive including serving Indian communities, which the projects in your State do.

Montana projects are also some of the projects that are further along, receiving additional priority, as does the population these projects serve. So we will keep moving those forward with the funds we are able to receive.

#### WATER SETTLEMENTS

Senator TESTER. All right, which brings me to water settlements, because they are tied together and we have a number of them.

One of them is in the funding bill right now for Crow. It is one of the five that is in there. Let me ask you this, there are some, and I am one, who advocate taking money from the reclamation fund to pay for some of these water settlements and water projects, too. Give me your opinion on that. There is a pretty healthy balance in that reserve fund.

Mr. LÓPEZ. Senator, I know that the Administration had looked at some options for funding some of these settlements, including looking at taking some money from the Reclamation Fund.

Senator TESTER. Would the Administration support that, to get right down to it?

Mr. LÓPEZ. I can't speak for the Administration as a whole. I think that we, certainly, recognize that.

Senator TESTER. Okay, we will go a different route. Would you support that?

Mr. LÓPEZ. I would like to get these projects done, Senator.

#### INTAKE DAM

Senator TESTER. Okay. So would I. I mean, I just don't see there ever being an end to it.

Secretary Darcy, it is always good to have you here. It seems like we ask the same line of questions every year. I am going to talk

to you about Intake Dam and the fish passage for the pallid sturgeon and its viability. I know there is a lawsuit pending.

Does that lawsuit have merit, as far as the viability for the fish passage, or is it without merit?

Ms. DARCY. I can speak to the merit on the project, not to the merit of the lawsuit.

Senator TESTER. I think they are suing because they don't think the project will work.

Ms. DARCY. Yes, they don't think that the fish passage, as designed, will accomplish the goals under the biological opinion.

Senator TESTER. That is correct.

Ms. DARCY. We believe that, as designed, it will meet the needs of the endangered species that is part of the subject of the biological—

Senator TESTER. So you think you will win that suit?

Ms. DARCY. I don't know.

Senator TESTER. Okay. Are you an attorney?

Ms. DARCY. No, sir.

#### MISSOURI RIVER FISH AND WILDLIFE

Senator TESTER. Lucky you.

There is about \$47 million, I believe, in this year's budget for that, for the Missouri River Fish and Wildlife Recovery Program. Is that adequate? Is that what you asked for?

Ms. DARCY. In the 2015 work plan, we have \$20 million for the Intake and \$20 million in the 2016 budget request.

#### HYDROPOWER

Senator TESTER. Okay. One last question that deals with something you said in your statement. You said that your budget has 5 percent dedicated to hydropower. Do you have any projects in mind?

Ms. DARCY. That is dedicated to our ongoing hydropower projects. We don't have new start projects at that 5 percent. That is mostly to continue to maintain our ongoing hydro infrastructure.

Senator TESTER. Let me ask you this, in the private sector—and I will be quick.

I am sorry, Senator Hoeven.

In the private sector, they have redone, in Montana at least, some of the hydro generation on the Missouri up by Great Falls. It has created more electricity. I think it is easier on the fish.

Has there been any discussion of doing that with Fort Peck?

Ms. DARCY. I do not know specifically about Fort Peck. I know we are looking at trying to evaluate where we have existing hydropower generation and projects, how we can make them even more efficient, or possibly expand on them.

I don't know about Fort Peck. I thought we had a conversation about Libby, but I'm not sure.

Senator TESTER. I think it would be wise to look down that line. I think it is a great way to expand.

Thank you, Mr. Chairman.

Senator ALEXANDER. Thank you, Senator Tester.

Senator Hoeven.

## PUBLIC-PRIVATE PARTNERSHIPS

Senator HOEVEN. Thank you, Mr. Chairman.

I guess the first several questions are for either General Bostick or Secretary Darcy. I want to thank all of you for being here today and for the important work that you do.

General or Secretary, the first question I have is, in the water bill, we authorize what is referred to as P3 funding, meaning public-private partnerships where we would try to use alternative delivery models and alternative means of financing to actually make your dollars go further, to leverage the Federal and get some of these projects going. And then we authorize new starts and said you ought to use alternative financing and delivery methods where you can, P3, the public-private partnership model. And so what I want to know is, where are you in that process? Have you picked any projects for the P3 approach?

Ms. DARCY. In the current budget, we haven't picked one specifically for the P3. We are looking at some pilots within some projects, and we are also looking at other ways to leverage P3.

I think you are interested in some of the proposals on the Fargo-Moorhead.

Senator HOEVEN. Very.

Ms. DARCY. That is an innovative way to help to finance. That is like a P4.

Senator HOEVEN. That is better yet, right?

Ms. DARCY. It is public-public-private-private, back to the public, back to the Federal interests. But it is an innovative way to finance, and I think it is something that we need to take a very good look at, because if there is capital out there that can be leveraged against these necessary projects, I think it is something we have to do.

General BOSTICK. We have been looking at this very hard, and we believe it is something we have to do. Last April, I met with a group of investors and business leaders who are interested in this sort of opportunity. We have created a small office in the headquarters and have people who wake up every day thinking about how to do this.

But it is a long road. We are trying to work within our authorities, which makes it complex for investors. So we are looking at the authorities that we have.

We have a couple pilots, in fact, that we are working to try within our authorities execute a form of P3. There is more work to be done.

This is something we believe in, and we're working hard at it. We have a long road to go, but we are very much interested.

Senator HOEVEN. So if you could get a P3 or maybe even a P4 candidate that, in fact, reduces the Federal share in half, and increases the benefit-cost ratio by more than double, that would make it an attractive candidate for selection by the Corps to proceed to construction? I would ask both of you that question.

Ms. DARCY. Yes. I think your point about doubling the benefit-cost ratio is an important one to consider. That is one we have to consider when we agree to budgets for projects.

Senator HOEVEN. Have you looked at the P4 proposal put forward for the Red River Valley project, the Fargo-Morehead proposal for P4?

Ms. DARCY. We have. I know folks on both of our staffs have met with the local sponsor to discuss it, yes.

Senator HOEVEN. General.

General BOSTICK. I just had a high-level briefing on it, but we are willing to take a deeper dive and make sure we understand the mechanics of what is being discussed and whether, within our authorities or by seeking others, there is some way to do something. But within our authorities is where we are currently focused. I'm happy to take a look at this.

Senator HOEVEN. General, I would ask you would. I met with General Peabody and other members of your staff. We talked about the benefit-cost ratio and the importance of getting above a 2.5 benefit-cost ratio. Then we also included language in WRRDA that requires you to give consideration for alternative methods of financing and the Public-Private Partnership.

I think that the Fargo-Morehead project is an incredible candidate that meets the requirements that are laid out for us. So I would ask that you take a look at it.

You're willing to do that?

Ms. DARCY. Yes.

General BOSTICK. Yes, we are.

Senator HOEVEN. Thank you. The other question I would ask in that regard is, do you give consideration for local cost share where both the nonFederal share is already in hand on the part of the State and the local participants, and that it is higher than your typical 35 percent cost share for nonFederal? Do you give consideration for that, again, having the share available and a higher percentage from the local and State sponsors?

Ms. DARCY. It would be a consideration in our budgeting, but it is not necessarily the criteria that is ultimately used in making a budgeting decision. But it is an attractive criteria to be able to consider.

General BOSTICK. I would only say it doesn't fit into our current models of consideration. I think if we are going to go forward with P3, we have to look at innovative and creative methods. I'm not sure if this one fits into it, but I think we have to look at it and see if it is something that we want to consider.

Whatever we do, I think ultimately it will have to work for the Nation as policy or law. We're just not there yet, but we're going to look at it, Senator.

Senator HOEVEN. Would you agree that if the local and State sponsors come up with a higher share than the typical formula, and reduce the Federal cost share, and they have their money ready to go, would you say that that is a good thing, in terms of evaluating projects?

General BOSTICK. It sounds good on the surface, Senator. We just have to look at the details.

Senator HOEVEN. Thank you, General, and Secretary.

Mr. Chairman, I do have some other questions, so I would ask the chairman's wishes as to whether I should proceed, because I am over my time?

Senator ALEXANDER. Thanks for asking. Why don't you take 2 or 3 more minutes, and we will see who else comes back.

STANDING ROCK RESERVATION

Senator HOEVEN. Thank you, Mr. Chairman.  
Again, Secretary Darcy, I would like to switch gears.

On the Standing Rock Reservation, they are concerned that their application for a permit to draw water out of the Oahe Reservoir is being held up on the basis of water rights. So I'm wondering if you have any familiarity with that issue and if there is anything that you can either comment on now, or if in fact you can lend your assistance, because what is coming back from Chairman Archambault, the tribal chairman, and the tribal council is that they feel that the Corps is telling them no, they can't get a permit to draw water from the Missouri River and the Oahe Reservoir that they need when, of course, they feel, and they do, have water rights for the Standing Rock Reservation.

Ms. DARCY. Senator, having tribal water rights for withdrawals are tantamount to having the ability to draw. I don't know the details of this particular situation, but I would be happy to look into it because it sounds as though that is not our usual mode of operating. If there is a tribal water right to an existing water supply, then that would be granted.

Senator HOEVEN. But you would agree that the tribe has water rights?

Ms. DARCY. Yes, sir.

NEW STARTS

Senator HOEVEN. Thank you. I appreciate your willingness to look into it. We need to. We have been requested to by the tribal chairman.

General Bostick, in the case of Minot, North Dakota, they had a terrible flood in 2011. It overwhelmed the banks of the Souris River. To date, in recovery, we have spent I think more than \$630 million in terms of flood recovery, just on the Federal end and not counting the State and local share.

They are trying to do a permanent project, and they need to get a study going in order to have a Federal project. But that requires a new start. Only three new starts were authorized under the WRRDA bill.

I'm wondering what can you tell me in terms of getting to a new start, so we can do a study and evaluate a permanent project for Minot. They are moving forward on what they can do, but they also have to be careful there so that they don't preclude the ability to get a Federal project and fail to meet the benefit-cost ratio, if they take all the other actions on their own.

So how do we get to a study so they can plan long-term for their permanent flood protection?

General BOSTICK. Senator, I think we have to look at all of these projects as we move forward. We have very limited new starts that we are able to begin. From a performance-based budgeting, and life safety, try to make the best judgments that we can.

But in terms of the future, I would say we continue the process that we have and look to see if there is any other consideration

that can be made in that particular case to see if it would compete better than it has in the past.

Senator HOEVEN. General, my earlier questions related to actually having a project move forward to construction. This question relates specifically to how you get the study done to determine what the Federal project should be, particularly when the locality and the State are spending money to improve their flood protection but being told by the Corps that they could damage their chances to get a Federal project, because of all the actions they are taking to get flood protection in place now, because they would reduce their ultimate benefit-cost ratio.

You have a cutline, and OMB has a cutline, as to which projects get funded based on that benefit-cost ratio. How do we solve their dilemma, in terms of getting a study going so they can protect themselves, which they are doing, but also plan for a long-term permanent project?

General BOSTICK. I would have to follow up with you on that.

Senator HOEVEN. You understand the dilemma, sir?

General BOSTICK. I understand what you're saying.

Senator HOEVEN. Okay. So we need your help, just as we did in the case of the P3. We got good information from you. I think we met your requirements. We need to have an understanding of what we have to do in the Minot case.

General BOSTICK. Okay.

Senator HOEVEN. Thank you, Mr. Chairman.

#### TAXES AND USER FEES

Senator ALEXANDER. Thank you, Senator Hoeven.

First, all of us are urging you to do things you are not doing. Let me thank you for something you are doing. Over the last few years, different agencies of the Federal Government have worked to keep the mitigation fish hatcheries open, two of which are in Tennessee. And the Army Corps, the Board of Reclamation provides some money for that, which you should, for basically fish that are killed as a result of dams that you operate.

The Fish and Wildlife Service has been very cooperative. And now the Tennessee Valley Authority has gotten involved, and there is a 3-year study going on which would keep the two major fish hatcheries open at Dale Hollow and Irwin in Tennessee. The study is looking for permanent solutions.

So I want that to be on your mind as the various agencies come back with a permanent solution, the fact that the Tennessee Valley Authority became a new player in this compact and has provided additional funds and may make it possible for us to have a permanent solution on those.

So we have all the departments represented here today involved in that, and I thank you for it.

Let me go back to one other point that we started on at the beginning. It is a problem that I don't expect you to solve today, but it is one I am going to work with you to solve. That is this business of collecting taxes and user fees and not spending them on ports and inland waterways.

To start with inland waterways, every year since 2009, I believe it is true we have spent basically everything we had in the Inland Waterways Trust Fund.

Isn't that right, Secretary Darcy?

Ms. DARCY. I believe there has been a balance but not a large balance in years past.

Senator ALEXANDER. Very, very little, I believe. So the problem was we were told not enough money in the Inland Waterways Trust Fund, so we go out and get the users, the big commercial users, to agree to pay \$.29 per gallon, I guess, instead of \$.20. We raised what should be another \$30 million. So the regular tax would provide about 85 percent. The new user fee should get to be about 13 percent, in the first year, maybe 15 percent.

So what we have is this year you are carrying \$16 million to \$19 million from last year that you are not spending. Then there is 85 coming in from the \$.20 fee that existed. Then we have \$15 million or so coming in from the new \$.09, so you are collecting \$115 million, \$53 million you are spending, but \$57 million you are not spending.

So I have to go back to these users and say, I'm sorry, we told you that we would fix the Inland Waterways Trust Fund and keep the locks open if you would ante up and pay more, and now they are paying more and we're not spending it.

Then there is the Harbor Maintenance Trust Fund, which we collect taxes on cargo. We collect about \$1.5 billion, \$1.6 billion a year for the purpose of harbor work, like deepening the harbor so we can be competitive in the world marketplace. Yet, you're recommending spending \$915 million out of the \$1.5 billion or \$1.6 billion. And you have about \$8 billion in the fund that is unspent, that is collected for that purpose and unspent.

Now, part of that problem is the administration's, because they don't give you the allocation to spend it. Part of it is the Congress' fault, because we don't get the allocation to spend it. But it doesn't make common sense that we would want to be a great country with great ports and a great inland waterway system, that we would be collecting money from taxes on cargo and from users of inland waterway systems to reconstruct those inland waterways and deepen those ports, and we leave \$57 million in the Inland Waterways Trust Fund unspent, and we have an \$8 billion balance in the Harbor Maintenance Trust Fund unspent.

Do you have any comment on that? Any suggestions on how we can deal with that?

General BOSTICK. One thing first, as I said earlier, I think many of the adjustments that have been made will help us in the long term. If you look at the capital projects business model, they recommend expenditures of approximately \$380 million per year over 20 years to really get after the infrastructure needs of the inland waterways. So while the money is not spent this year, the Inland Waterways Trust Fund and having that build up to a certain level is a good thing, I think.

The other thing is that we are in a period of transition. I think that the decision to make the percentage breakdown 85 percent of the general treasury for Olmstead was helpful, but it allowed that fund to grow much higher than it would have been in previous

years. So I am not saying it is an anomaly, but I think it is a one-time issue that we will deal with and that will level off in the years ahead.

Senator ALEXANDER. General, if you had more appropriated dollars, could you spend more of the trust fund?

General BOSTICK. I think if the top line were higher, we could use additional money on increments of work that would add value. So yes, we could do that.

We clearly support the President's budget, because there are priorities well beyond civil works that the Nation has to deal with. And as I said earlier, with the budget we have, we are trying to work alternative financing methods that will bring in money that will allow us to address some of these needs.

But at the end of the day, I think the Inland Waterways Trust Fund growing is a good thing for us, and in the out-years, we will continue.

Senator ALEXANDER. Well, if you are looking for a public-private partnership, you have it on the Inland Waterways Trust Fund. I mean, you have the big users paying a higher user fee to help fix the locks. So we have it. We just need to figure out a way.

I know you would like to do everything that needs to be done. I know that you want to do that. But what I would like to do is to work with you both, in terms of our rules here in Congress and the administration, and make sure that if we have this money, we're collecting it and we have these important goals for our country, that we are able to reach them. It doesn't make much sense to the guy on the sideline to look at that and say, okay, you want deeper ports and you want to fix locks and you have the money in the bank but you won't spend it. That doesn't make a whole lot of sense.

So I know what you want to do, and I would like to work with you and see that we do more of it.

I don't know if other Senators are coming back. I see Senator Lankford here, and I will be glad to call on him for additional questions. And if Senators come back who haven't had a chance to ask questions, we will let them do that. And if Senator Feinstein comes back, of course, she can say whatever she wants to say. Then we will conclude the hearing.

Senator Lankford.

Senator LANKFORD. Thank you, Mr. Chairman, which would mean that our witnesses have an extra eye toward the door, hoping that no one else walks it.

#### WATERS OF THE UNITED STATES RULE

Senator LANKFORD. Every time the door opens, it is longer for them.

Let me just ask a couple of quick questions, just a follow-up. We talked a little bit about the Waters of the U.S. Rule, and the \$5 million that has been moved over asking for additional money for the rulemaking authority on that. My question is, do you expect a higher volume of permits under a new definition of Waters of the U.S.? And what effect will that have, long term, on manpower and time for permits and such?

Ms. DARCY. I think, initially, we will see an increase in the number of permits. Our estimate in the economic analysis that was done was about a 3 percent increase.

Senator LANKFORD. Do you have the manpower already to be able to handle that increase?

Ms. DARCY. No, sir. That is why we have the additional \$5 million in the regulatory request for 2016.

But over time, we anticipate that the manpower needs will not be as great. We are trying to figure out how much money we are going to need and how many people we are going to need. We looked at what we did after the Rapanos guidance went out in 2008, and started using that as a benchmark as to what additional needs might there be. A lot of the initial needs are going to be for training our regulators for what impacts these new jurisdictional determinations will need to be made, and most of it is training, and, as General Bostick said, additional personnel as well.

Senator LANKFORD. So your thought is that it will require additional training for existing regulators, but once they get the training, there won't be a need for additional individuals to oversee this regulation?

Ms. DARCY. I think there will be an initial need for additional regulators and also the training for existing regulators, as well as new regulators. But I don't see that growing over time. I think that is sort of like the startup cost for getting us to where we need to be in order to implement.

Senator LANKFORD. You don't see an additional—I am trying to get a sense of it, because it seems like it broadens tremendously the number of locations that would require a permit or a new type of permit, or at least someone to go out and take a look at it and be able to evaluate it. It looks like it would increase the inventory by a pretty large margin.

So the assumption is that the people that you have on the ground now, you will need very little change on that long term to be able to handle that additional work?

Ms. DARCY. What we envision, Senator, is part of the rule is to get better certainty into what is jurisdictional and what is not, who was in and who is out. We do that by providing definitions, some definitions for the first time in the proposed rule, like a definition of tributary. That is the first time that has ever been defined.

So if we have a bright line test so that people know they are in or out, I think that it will, over time, reduce the number of case-by-case specific determinations we have to make. Right now, if a permit comes in and it's not currently a regulated water, we have to go out and make case-by-case specific determinations on whether there is a significant nexus, whether there is a tributary. By defining tributary and other things in the rule, we will know, because they are a tributary, whether they need a permit or not.

Senator LANKFORD. It's no big surprise to you that many people across the frigid plain are a little concerned that every low spot on their land that is a dry low spot that holds water when it rains suddenly gets defined as a tributary and that bright line that you talk about seems a little fuzzy at this point.

Ms. DARCY. Senator, we have received over 1 million comments on this rule, and many of the comments are dealing with being

more specific in the definitions and getting some more clarity, so we are taking those comments to heart before we issue the final rule.

#### FEDERAL FLOOD RISK MANAGEMENT

Senator LANKFORD. Okay. Let me ask about one another piece. The Federal Flood Risk Management Standard, which is another one of those things that as it comes through the process, there are a lot of questions about, if individuals can get access to data and the underpinnings of that and the scientific research and how that came about, if there will be a significant moment for not only receiving comment but knowing that their comment is heard and acted upon.

Tell me the status on that and how much transparency there will be in this process?

Ms. DARCY. The flood standard, as you know, is in the public comment period for implementation, to have the public comment on how this flood standard should be implemented. It is out for a 60-day comment period.

We, the Corps of Engineers, along with the other Federal agencies, are active in that process. That will be transparent. I believe the comments will all be publicly available before we finalize any implementation guidance.

Senator LANKFORD. Okay, all the data and the underpinnings and the research for it, background, where will that be, as far as availability?

Ms. DARCY. FEMA was one of the lead agencies on this effort, and I believe it will be on FEMA's Web site. But we can get back to you on that.

Senator LANKFORD. Yes. That has been an issue, that some of these decisions have been made and they said the research and data behind it is proprietary, so it cannot be released. So there is a pretty significant change, and no one can see the data. So I would like to have every opportunity that we can to have peer-reviewed data that is available to people, and they can actually interact with that data.

Ms. DARCY. I believe we are going to do that, but I will get back to you with the website. Hopefully, we can provide information.

Senator LANKFORD. I would like that very much, to be able to have that kind of availability of data and that kind of interaction.

Mr. Chairman, thank you.

#### INLAND WATERWAYS TRUST FUND

Senator ALEXANDER. Thank you, Senator Lankford.

I have an appointment with the President's nominee for Secretary of Defense. I am going to go keep it. Senator Feinstein is going to preside. She has a couple questions that she is going to ask, and I trust her with the gavel. She is experienced with it.

I have one question of clarification, General Bostick. Did you say that there are \$380 million of projects for the Inland Waterways Trust Fund? What was the \$380 million figure you said?

General BOSTICK. This was an estimate of capital projects business model. There is a capital projects business model, and that effort showed that we need about \$380 million per year over a 20-

year period to really address the infrastructure and the needs of the inland waterways.

Senator ALEXANDER. So that would do it? That is all it takes, combined appropriated and trust fund money?

General BOSTICK. I don't know what the all the assumptions are that went into that, but we can provide that to you.

Senator ALEXANDER. I would like to see that. I would like to see some estimate of what the backlog of projects is, what the estimated work plan is over the next several years, and how the funding that is expected to come in from the trust fund and the appropriated funds meets what we need to do. We can talk about that separately, but I would like to talk with you about that.

General BOSTICK. We will do that, sir.

Senator ALEXANDER. Thank you for coming. The hearing record will remain open for a week for additional questions. And Senator Feinstein will now preside and ask whatever questions she would like to ask.

#### CALIFORNIA DROUGHT

Senator FEINSTEIN [presiding]. Thank you very much, Mr. Chairman. Be assured that I will behave.

Commissioner López, I would like to thank the bureau for working very hard to maximize water supplies in California under the most difficult circumstances. The bureau has just been terrific, and I have had nothing but positive feedback about Reclamation, not only from many constituents but also from the State people and State departments who depend on various water project supplies.

I am also very pleased to see that Reclamation has developed a spending plan to make good use of the \$50 million provided to the bureau to address the West's drought. Not only California, but other States in the west will also benefit from increased funding for increases to fight drought.

As you know, the drought in California shows no sign of abating. Between December 21 and February 6, most of California saw no measurable precipitation. Even after this past weekend's storms, Shasta remains at 51 percent of capacity, Oroville at 45 percent, Folsom at 51 percent, and San Luis at 56 percent. Snowpack statewide is at 27 percent of normal.

I mentioned how people are suffering from it. I also want to mention that wildlife and refuges are suffering, too. The fall trawl surveys showed record low numbers for Delta smelt. Low water flows and higher than normal water temperatures have killed off many endangered winter run salmon eggs and fries. Habitat for migratory birds has shrunk dramatically. This weekend's storm flows are expected to decrease quickly.

Until we see the next storm, if we see one at all, the first question is, what do you think you can do to ensure the maximum amount of water is captured and stored for human as well as environmental use?

Mr. LÓPEZ. Thank you, Senator. I think the best thing that we can do is the continuing coordination with the regulatory agencies, that is, the fish agencies, Fish and Wildlife Service, National Marine Fisheries Service and EPA.

Oftentimes, those regulations, be they either biological opinions or water quality issues, are really what is going to constrain our ability to capture some of those flows when they are happening.

We are, as you know, in very, very close daily coordination with them. And I think that we have been trying to maximize flexibilities, in terms of how much we are able to take. We are monitoring the fish on a real-time basis to make sure we are not reaching critical take limits. And we are adjusting the pumping daily to keep all that going.

We continue to have challenges, as you know, with water hyacinth that are blocking the CVP pumping facility. We are working with a number of irrigation districts, the State and others. They are lending us resources and manpower to try to deal with those issues as well.

So we will continue to work in close coordination with all the interested entities. Additionally, I think another key element is that we continue to do all of what we are doing with complete transparency. That is, the people who depend on us for their water supply need to know why we are making the decisions we are making and need to have confidence that they are well-reasoned. We are also trying to make sure that we are coordinating with Congress and making sure that you know what is going on, as well.

These are all things that we will continue to do.

#### CALFED STORAGE PROJECTS

Senator FEINSTEIN. Right. As you know, I'm very disappointed. I know NMFS and Fish and Wildlife worked on a plan, along with your agency, and the plan was turned down by the director of the State board. I understand there is going to be an appeal to the full board. I am very disappointed at that action. So hopefully, we can reverse it. We'll see.

Last year, the State's voters voted overwhelmingly to approve a \$7.5 billion water bond, which includes \$2.7 billion for water storage. To determine whether that money can be applied to one or more of the CALFED storage projects, the State must know whether the projects are feasible or not by 2016.

This is a very high priority for me, and I would like to run through the scheduled completion dates for each of the projects, and you let me know whether the timeline has changed. And if yes, what is the completion date to which you can commit Reclamation? It is my understanding that we submitted this to you so that you won't be blindsided by it.

Shasta Dam raise? The final documents were originally scheduled to be released in either December 2014 or January 2015. What is the final completion date for the final feasibility study and final environmental impact statement?

Mr. LÓPEZ. Senator, these reports are undergoing the final executive review right now. From our perspective, the technical work has been completed. They are getting their final review, and we hope that they will be available to you soon. But I can't speak to the exact timeframe.

Senator FEINSTEIN. Well, will it be 1 month, 2 months, 6 months, or 6 years? It has been 10 years so far.

Mr. LÓPEZ. Senator, I think we are very, very close.

Senator FEINSTEIN. Okay. I guess I will now know what you mean by very, very close. You are new. We'll see.

Temperance Flat, I was told last year that the final study and EIS will be ready by July of this year. Are they still on target to be delivered in July of this year?

Mr. LÓPEZ. Senator, I think my response is going to be similar to my last one. I think that we are on track. Reclamation is on track to complete the technical work by July, and then it will require some time to complete Executive Review. The timeframe for that review to be completed, I am not certain how long that will take.

Senator FEINSTEIN. Okay. But you are saying that the technical work will be completed by July?

Mr. LÓPEZ. Senator, I think we are on track to meet that deadline.

Senator FEINSTEIN. Okay. Sites Reservoir, I understand the bureau is working with the local joint powers authority, with whom I just met a few days ago and was very impressed with what they are putting together, to complete a project management plan by the end of this month that would establish the remainder of the feasibility study schedule.

Is delivery of the project management plan on schedule?

Mr. LÓPEZ. Senator, as you speak, the Joint Powers Authority met with us, as well. They are very engaged in getting their piece of this puzzle put together, and we are working with them on a Project Management Plan. If we can bring that to fruition, I think we will remain on schedule for the technical work.

What we are trying to do with all these studies is do them sequentially, that is, Shasta first, then Temperance Flat, then Sites, such that we don't spread ourselves so thin that none of them move ahead.

We think we are on course to get to that endpoint and stay on schedule, so that the decision can be made about this reservoir as well.

Senator FEINSTEIN. Sites, although it is the most expensive, may just well turn out to be the best, because it produces the most, although it is expensive. But if I understood the joint powers agreement, they are going to actively participate in the financing and are trying now to raise money.

So I think if it has a reasonable cost-benefit, and if the feasibility is within a reasonable amount, I think that is a very important reservoir to take a look at.

Los Vaqueros Phase 2 expansion. The first phase of expansion was completed in 2012, and the locals are contemplating a second expansion phase. Does Reclamation have any information on the expected timeframe for a decision to be made about Phase 2 work and the anticipated completion timeline?

Mr. LÓPEZ. Senator, I do not have a timeline for that one. I would like to supplement my answer.

[The information follows:]

Regarding the San Luis Low Point Improvement Project, including a dam raise alternative, is scheduled for final reports in December 2017. Engineering analysis for the Safety of Dams (SOD) Corrective Action Study is in progress. Seismic and constructability analyses are scheduled for completion in 2015. This project relies

on information being developed via the SOD program to ensure a dam raise alternative also resolves the potential seismic risk.

We had considered accelerating the schedule, but that effectively eliminated the economies that could be achieved by addressing the seismic issue in conjunction with the low point problem and other water supply reliability issues. The point of the feasibility study is to identify the economies that could be achieved by combining the seismic, low point, and water supply reliability aspects, and we do not have any specific details. The primary economy is gained from allocating the cost of the dam raise among numerous purposes.

Senator FEINSTEIN. Yes, would you? I will mark that down.

And last, San Luis Reservoir. An initial appraisal study was completed in December 2013. Do you have an estimate for when the draft and final feasibility studies will be completed?

Mr. LÓPEZ. I was informed that we are on track to have a draft by the summer of next year, the summer of 2016, with the target of having a final in the fall of 2016.

Senator FEINSTEIN. Isn't San Luis the one that doesn't take very much? It has to undergo earthquake repair?

Mr. LÓPEZ. I believe that is correct, Senator.

Senator FEINSTEIN. So if I understand this, if the work could be done when the earthquake repair is done, the amount is not that great for a prudent raise. It is not a huge raise, but it is a raise that could be very helpful. And as I understood it, it costs in the millions, not the billions, low millions.

Mr. LÓPEZ. Senator, what you are describing I believe is correct, that if we could do both of these at the same time, we should gain some economies. I don't have at my fingertips all the details about it though.

Senator FEINSTEIN. Okay. Perhaps you would.

[The information follows:]

Reclamation and Contra Costa Water District are developing a Project Management Plan to identify the tasks, schedule, and budget necessary to complete a feasibility report and environmental documents for the next phase. Reclamation will need a nonfederal cost share partner to implement the Project Management Plan.

Senator FEINSTEIN. And I thank you for the water hyacinth. I have never seen anything quite like the photos that I have seen of that mass that has grown.

I gather this is all imported, the hyacinth is not native. Is that correct?

Mr. LÓPEZ. Senator, I understand that it is a species that has been introduced into the area. I don't know that from study of my own. But I have been told that it probably came over on the ballast of ships into the area. But it is, certainly, established now.

Senator FEINSTEIN. Alright.

Well, we had a very good meeting, and I look forward to working with you, and I think getting those feasibility studies done, as I said, it has been 10 years. It really has. And what is emerging I think is very interesting as to what looks like the most doable.

You and I both talked to that joint venture, and it was very impressive. And to date, I know of no real opposition to it. So if the Sites numbers could get done, that would be very much appreciated, quickly.

Mr. LÓPEZ. Senator, we understand the importance of moving all of these forward, particularly last year and this year are demonstrating the importance of storage. Obviously, the quicker we can get all of these answers done, the better for all of us.

## ADDITIONAL COMMITTEE QUESTIONS

Senator FEINSTEIN. Thanks, commissioners. Thank you very much, ladies and gentlemen.

As Senator Alexander stated, the hearing record will remain open for 10 days. Members can submit additional information for the record within that time, if they would like.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

## QUESTIONS SUBMITTED BY SENATOR THAD COCHRAN

## FEDERAL FLOOD RISK MANAGEMENT STANDARD

*Question.* Please identify any non-government organizations or individuals that had any role whatsoever in composing, editing, drafting, reviewing or developing any part of the FFRMS, the draft version of the Implementing Guidelines published in a Federal Register Notice on February 5, 2015, pursuant to EO 13690. Identify the individuals, their organizations, their roles in the process, including any individuals or organizations that worked through a contractual relationship with any office, agency or department of the Executive Branch.

*Answer.* All activities associated with the FFRMS and its Implementing Guidelines were facilitated through an interagency process as part of the Mitigation Framework Leadership Group (MitFLG). The membership of this group is listed on the Federal Emergency Management Agency's (FEMA) Web site.

*Question.* Please identify the Governors, mayors, and other stakeholders from whom input was solicited prior to the establishment of the new FFRMS. Include the dates input was solicited, the dates any response or input was provided, and a summary of any input and responses that were considered in the development of the FFRMS.

*Answer.* The Corps was not involved in the process of soliciting the views of Governors, mayors, or other stakeholders on the standard, and as a result, cannot offer any comments on how this process was designed and/or implemented.

*Question.* Please provide a detailed summary of the activities of the Mitigation Framework Leadership Group since its inception relating to the development of the FFRMS, including a list of Federal members. Also provide a list of non-Federal members, including State, local and tribal governments, private sector and non-government organizations, and include a summary of their involvement in the development of the FFRMS and the dates such involvement occurred.

*Answer.* FEMA, who serves as the chair of the MitFLG, will be in the best position to provide detailed information about its membership and associated activities supporting the development of the FFRMS. Also, the membership of this group is listed on FEMA's Web site.

*Question.* Consistent with Executive Orders 13563 and 12866, please detail the methods used in determining the costs, benefits or scientific rationale of the FFRMS prior to its issuance, and provide the results of any such analyses.

*Answer.* EO 13690 amends existing EO 11988 decisionmaking processes for agencies to follow when conducting Federal actions in a floodplain. Consideration of alternatives for determining the area where agencies need to apply the existing EO 11988 decisionmaking process was accomplished through an interagency process facilitated by the MitFLG. Recommended options for assessing alternatives for Federal actions in floodplains are consistent with projected scenarios for sea-level rise, and are consistent with findings and recommendations put forth in the recently released North Atlantic Coast Comprehensive Study, prepared by the Corps.

*Question.* Please provide a detailed accounting of any activities to engage the public and their representatives in Congress in the development of the FFRMS prior to January 30, 2015, not otherwise addressed herein.

*Answer.* As previously stated, the Corps was not involved in the process of soliciting the views of stakeholders on the standard, and as a result, cannot offer any comments on how this process was designed and/or implemented. Currently, the MitFLG is soliciting public comments on the interagency Implementing Guidelines that could inform future revisions to the FFRMS as part of its annual review as required in Section 4(b) of EO 13690. In the months ahead, the Corps will seek public dialogue as the agency develops its Implementing Guidance.

*Question.* Please provide a detailed accounting of any funds expended to support the activities of the Water Resources Council, including the source of all such funds. Identify any Executive Branch personnel, including offices, departments, and agencies, utilized to support the activities of the Water Resources Council. Also include the dates any meetings of the Water Resources Council were held, attendance at such meetings, and whether there was any public notice of any meetings.

*Answer.* Executive Order 13690 establishes a Federal flood risk management standard, a flexible framework to increase resilience against flooding and help preserve the natural values of floodplains. It also establishes a process for further soliciting and considering public input, including from Governors, mayors, and other stakeholders, prior to implementing this standard. Executive Order 13690 amends Executive Order 11988. It sets up a process under which the Mitigation Framework Leadership Group, after reviewing the public comments, will provide recommendations to the Water Resources Council. The Water Resources Council would then provide guidance to agencies on the implementation of Executive Order 11988, as amended, consistent with the Federal risk management standard.

The President issued Executive Order 13690 on January 30, 2015. The Army Corps of Engineers will be involved in this process through the Mitigation Framework Leadership Group, as a member of the Water Resources Council, and as an implementing agency. The Army Corps of Engineers will be available to participate in this process, as appropriate, within its existing resource levels.

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QUESTIONS SUBMITTED BY SENATOR MITCH MCCONNELL

KENTUCKY LOCK PROJECT ON THE TENNESSEE RIVER

*Question.* What is the estimated completion date for the Kentucky Lock project?

*Answer.* The completion date could depend on a range of factors, including the availability of funding. At this point, the earliest that the Corps estimates that it would be able to complete physical construction would be in calendar year 2022.

*Question.* What are the annual funding levels assumed for this estimated completion date?

*Answer.* The capability estimate for each study or project is the U.S. Army Corps of Engineers estimate for the most that it could obligate efficiently during the fiscal year for that study or project. However, each capability estimate is made without reference to the availability of manpower, equipment, and other resources across the Army Civil Works program, so the sum of the capability estimates exceeds the amount that the Corps actually could obligate in a single fiscal year. The Budget allocates funding among studies and projects on a performance basis in a manner that will enable the Corps to use that funding effectively. Consequently, while the Corps could obligate additional funds for some studies and projects, offsetting reductions within the Army Civil Works program would be required to maintain overall budgetary objectives.

The funding stream below includes inflation. However, it must be noted that funding for Kentucky Lock would be considered, along with all other funding requirements for projects throughout the Nation.

Fiscal Year 2015—\$15.0 million

Fiscal Year 2016—\$50.6 million

Fiscal Year 2017—\$51.7 million

Fiscal Year 2018—\$50.5 million

Fiscal Year 2019—\$69.0 million

Fiscal Year 2020—\$95.2 million

Fiscal Year 2021—\$85.1 million

Fiscal Year 2022—\$28.8 million

Fiscal year 2023—\$0.8 million

*Question.* What is the remaining benefit/remaining cost ratio for the Kentucky Lock project?

*Answer.* The benefits and the costs of the project need to be updated and therefore a current remaining benefit/remaining cost ratio is not available.

*Question.* Does the cost to complete the Kentucky Lock project increase annually as it remains in “caretaker” status?

*Answer.* In real terms, the cost to complete the project should not increase.

FISCAL YEAR 2015 WORKPLAN/IWTF

*Question.* The fiscal year 2015 USACE work plan includes \$6 M in unobligated funding. Does the USACE intend to use this funding, and if so, how?

*Answer.* Yes. These funds have not yet been allocated because a useful increment of work has not yet been identified for those funds. The remaining funds will be allocated coincident with identifying a useful increment or increments of work for those funds.

SECTION 1035 WRRDA, FLOATING CABINS

*Question.* It is my understanding the USACE is currently developing health and safety guidance regarding Sec. 1035 of the Water Resources Reform and Development Act of 2014 (Public Law 113–121). I am told that your agency has committed to considering input from interested parties on this health and safety guidance prior to its finalization.

Will there be an opportunity for interested parties to view a draft proposal of the guidance in an effort to provide comment prior to the finalization of this guidance? If so, is there a date when stakeholders may expect a draft proposal to be made available for review? If not, please explain why stakeholders will not have the opportunity to provide comment on this guidance.

*Answer.* In the fall of 2014, the Corps held a series of three listening sessions for government entities and the public to learn about and/or express their concerns or issues on any section of WRRDA 2014. Afterwards, the Corps extended the offer to accept, consider, and address any concerns of marina operators or other constituents, but no comments were provided to the Corps.

The Corps is in the final stages of preparing implementation guidance that is within the parameters of Section 1035 of WRRDA 2014. Once approved by the Assistant Secretary of the Army for Civil Works, the policy will be released to the public and to the Nashville District for implementation. In addition, the Nashville District will notify applicable marina operators of the policy and distribute it accordingly. Marina operators will also be extended the opportunity to meet with the Project Manager and any other District personnel concerning questions and direction on submitting requests to expand the marina outgrant to include floating cabins and/or concerning new marina proposals to include floating cabins.

QUESTIONS SUBMITTED BY SENATOR LISA MURKOWSKI

CONTINUING AUTHORITIES PROGRAM

*Question.* At the subcommittee hearing, I asked about funding for the Continuing Authorities Program, specifically Sections 103 and 107. These sections have not received much funding in recent years; in fact, the Corps has not included them in the budget since 2011, although the appropriations process has put money into those accounts.

What are the current unobligated balances of those accounts?

*Answer.* As of January 31, 2015, Section 103 had \$8.63 million in unobligated prior-year funds and \$1.25 million in fiscal year 2015 funds, for an unobligated total of \$9.88 million. Of this, \$4.61 million is on projects and planned for obligation in fiscal year 2015 and fiscal year 2016, and \$5.27 million is being held in Headquarters pending execution of cost sharing agreements.

Section 107 had \$7.08 million in unobligated prior-year funds and \$2.35 million in fiscal year 2015 funds, for an unobligated total of \$9.43 million. Of this, \$4.09 million is on projects and planned for obligation in fiscal year 2015 and fiscal year 2016, and \$5.34 million is being held in Headquarters pending execution of cost sharing agreements.

*Question.* How does the Corps plan to fund them going forward?

*Answer.* The available balances will be used to complete useful increments of work, including completion of ongoing projects and initiation of additional projects if affordable.

*Question.* Why are the funds not being used?

*Answer.* The funding in the sections either has been allocated to projects or is being held in Headquarters pending execution of cost sharing agreements.

*Question.* Can the small, rural communities of Alaska begin feasibility studies or general investigations using funds from 103 or 107?

*Answer.* Based on guidance from Congress, new starts are allowed in CAP where the Corps has completed a favorable affordability analysis. The CAP affordability analysis is looked at over a 3 year period and takes into account the anticipated funding, capability cost of active projects, less attrition, and potential cost of new starts, less attrition. Based on the cost of ongoing feasibility work, the cost of scheduled construction for fiscal year 2016, and the potential future costs of other ongoing projects (even after allowing for attrition as some projects are discontinued), new

starts in Section 103 and 107 do not appear affordable at this time. For instance, in Section 103 there are 3 projects with pending Project Partnership Agreements (PPAs) and a total need of \$7.2 million in Federal funds for construction. In Section 107 there are 4 projects with pending PPAs and a total need of \$10 million in Federal funds for construction. The Corps will re-evaluate affordability on a quarterly basis and, when possible, consider additional projects.

ARCTIC DEEP DRAFT PORT

*Question.* I am enthusiastic about the release of the Corps' Draft Report regarding the Deep Draft Arctic Port System Study. This is a plan to build much needed infrastructure in the Arctic that will help the people of Alaska lower their cost of living, drive the local and State economies, and allow for a faster response in the event of an oil spill in the region.

Can you please provide me with a detailed plan for how this project will proceed?

*Answer.* Upon completion of public, technical, legal, policy and independent external peer reviews, the next step would be for the Arctic Deep Draft study team to develop responses to comments submitted and modify the recommended plan as appropriate.

*Question.* What is the estimated timeline for the Review Board Hearing and Chief's Report?

*Answer.* The Civil Works Review Board is currently scheduled for the first quarter of fiscal year 2016. Upon completion of a successful Civil Works Review Board and State and Agency Review of the project, the final feasibility report will be forwarded to the Chief of Engineers for review and approval.

QUESTIONS SUBMITTED BY SENATOR DIANNE FEINSTEIN

SOUTH SAN FRANCISCO BAY SHORELINE STUDY

*Question.* Can you tell me how you plan to finish the Chief's Report by December 2015, as promised, without Federal funding in the fiscal year 2015 Work Plan and in the fiscal year 2016 Budget?

*Answer.* We are considering all available options for completing this report.

*Question.* If there are unallocated funds in the fiscal year 2015 Work Plan that can be applied toward the study, can you commit to me that you will make the required sums available so that the study will stay on schedule?

*Answer.* It is premature to make this commitment at this time as we are still developing the fiscal year 2015 Work Plan. However, our goal is to keep this study on an efficient schedule.

*Question.* Can you commit to me that the Chief's Report will in fact be done by December 2015 with no further delays?

*Answer.* Our goal is to complete the Chief's Report by the end 2015 if there are not any unforeseen issues.

NAPA RIVER FLOOD CONTROL PROJECT

*Question.* The Napa River Flood Control Project was provided funding in fiscal year 2014 to complete the bypass through the downtown area thereby capturing a majority of the project benefits. However, it has recently been determined that this work that was committed to in fiscal year 2014 will cost more than was initially anticipated and additional funds will be required. It would appear that sufficient funds remain unallocated that could be used for this purpose.

Why were these funds not included in the fiscal year 2015 work plan?

*Answer.* I became aware of the cost increase to complete this final phase late in the process of developing the work plan and am still gathering information regarding the scope and extent of the additional funds needed to complete this project that was previously funded to completion in fiscal year 2014.

CALIFORNIA DROUGHT

*Question.* What is the Corps doing to help with drought conditions in California?

*Answer.* First, the Corps implemented temporary deviations to operations at Whittier and Prado Dams during the drought which has allowed the maximum capture of over 22,000 acre feet of water. Other deviation requests will likely be forthcoming.

Second, the California Department of Water Resources has been meeting with the Corps about permits for salinity barriers in the Delta. The Corps expects additional permit requests for other work, including pumps, siphons, wells and pipe extensions.

Third, the Corps is engaged with other Federal, State and local agencies to anticipate and assist in providing drought responses. Regionally, the Corps is participating in forums conducted by the California Office of Emergency Services, the lead State agency, regional water planning bodies and directly with project partners.

Fourth, the Corps is providing technical assistance to local communities. For example, the Corps provided technical assistance to Redwood Valley Water District to place a temporary floating pump platform in Lake Mendocino that will allow continued water withdrawal if the lake level falls below the permanent intake.

The Corps remains engaged with the California Drought Task Forces and is prepared to immediately act in processing deviations, regulatory permits and emergency water assistance requests within existing authorities. To improve longer-term drought resiliency, the Corps is working with the National Weather Service on improving forecast-based decision parameters for reservoir operations.

*Question.* Are there legislative or institutional barriers that hinder the Corps in assisting with drought mitigation?

*Answer.* The Army Civil Works program's actions reflect its authorities. In a drought, for example, the Corps may be able to take steps to change project operations at a multi-purpose dam that includes water supply as an ancillary project purpose. In some cases, the Corps may also be able to provide certain emergency assistance under Public Law 84-99.

#### HARBOR MAINTENANCE TRUST FUND

*Question.* It is my understanding that your fiscal year 2016 request for funding for activities that are reimbursed from the Harbor Maintenance Trust Fund is \$915 million, exactly the same as your fiscal year 2015 request.

As a percentage of the eligible work, what is the percentage that the Administration budgeted?

*Answer.* The level of Federal spending to support harbor maintenance and related work in the Budget reflects consideration for the economic and safety return of these investments, as well as a comparison with other potential uses of the available funds. The fiscal year 2016 Budget includes funding for about one-third of the potential eligible work.

*Question.* What costs to the economy are associated with the Administration's request?

*Answer.* Generally, the Corps considers costs and benefits in recommending which work to fund. However, the Corps does not track costs to the broader economy for the operation and maintenance work that it performs, or does not perform.

*Question.* What types of benefits are not realized?

*Answer.* Harbor maintenance and its benefits vary by project. Generally, the amount recommended in the Budget has a higher return than other potential work. The benefits are of the same type, but diminish with each added increment of funding. For example, more funding could, in some cases, enable some of the vessels that use a port to carry more cargo at high tide. At the current funding level, they may need to wait for a low tide, when fully loaded. On the other hand, regardless of the level of harbor maintenance, many ships may not be fully loaded, and many others—due to factors such as their size, and the density of their cargo—may be able to use it even when fully loaded. In deciding how much funding to recommend, the Corps would consider how many of the vessels that use that port are affected by the current channel condition, based on actual usage patterns. The choice may involve, for example, dredging one foot more in depth in certain places, or two more feet in depth there. The first foot of additional depth could have enough of an impact to solve the basic concern, but not address it fully for every ship. In that case, the Budget might fund the first increment of work but not the second. Finally, the port can always decide to provide its funds to enable the Corps to perform more work.

Most of the harbor maintenance work that the Corps performs involves maintenance dredging. The Corps also performs other work with these funds, such as operation and maintenance of coastal navigation locks, construction and maintenance of dredged material placement site, and repairs on jetties and breakwaters to maintain their effectiveness.

*Question.* How is it rational to be collecting a tax for the purpose of maintaining harbors, yet not using it for that purpose?

*Answer.* Federal funding for maintenance dredging and related work at our coastal ports should not be based on the level of the harbor maintenance tax receipts. It should reflect consideration for the economic and safety return of each investment, as well as a comparison with other potential uses of the available funds.

*Question.* What was the total of the most recent amount of collections from the HMT?

*Answer.* fiscal year 2014 collections included Harbor Maintenance Tax receipts of \$1.51 billion, plus \$107 million in interest, for a total income of \$1.62 billion.

*Question.* What is the fiscal year 2016 target funding level for the HMT according to the 2014 WRRDA?

*Answer.* Section 2101(a) of WRRDA 2014 identifies a level of resources that is the target total budget resources for each fiscal year. For fiscal year 2016, this level is \$1.254 billion.

*Question.* For fiscal year 2015, Congress provided \$1.1 billion to be utilized for HMT activities. What types of activities were the funds used for?

*Answer.* fiscal year 2015 Harbor Maintenance Trust Fund activities included maintenance dredging of harbors and channels; maintenance of breakwaters, jetties, bridges, and other coastal structures; operation and maintenance of coastal locks, dams, and other infrastructure; construction, operation and maintenance of dredged material placement sites; removal of floating debris and aquatic growth; project surveys; engineering and design and supervision and administration costs; conduct of studies and preparations of reports for dredged material management plans and major rehabilitations; environmental testing, monitoring, and mitigation; retention of the Corps hopper dredges WHEELER and McFARLAND in a Ready Reserve status; and collection of Harbor Maintenance Trust fund data.

*Question.* How did these activities differ from those that the Administration budgeted for in fiscal year 2016?

*Answer.* The fiscal year 2015 activities are very similar to those activities that were budgeted in fiscal year 2016.

*Question.* Did the additional funds included in the fiscal year 2015 work plan provide benefits to the national economy that might not have been realized if just the Administration request had been funded?

*Answer.* The fiscal year 2015 work plan funds provided for additional maintenance of budgeted projects and maintenance of projects that were not included in the fiscal year 2015 Budget.

*Question.* WRRDA 2014 provided a very elaborate and confusing distribution of funding for HMT related activities. Did you follow this distribution when allocating funds for the fiscal year 2015 work plan? What about for the fiscal year 2016 budget request?

*Answer.* The Corps followed Congressional direction provided in Section 105 of the Energy and Water Development and Related Agencies Appropriations Act, 2015, Division D of the Consolidated Appropriations and Continuing Appropriations Act, 2015, when allocating funds in the fiscal year 2015 Work Plan. The fiscal year 2016 Budget takes into account some of the provisions of Section 2102 such as allocating not less than 10 percent of HMTF funds to emerging harbors and Great Lakes harbors.

*Question.* In either case, were there sufficient funds to undertake all of the activities described in WRRDA 2014?

*Answer.* Yes. However, we allocated the funds in the fiscal year 2015 work plan and the fiscal year 2016 Budget based on a technical judgment by the Corps of the best use of those resources.

*Question.* In the fiscal year 2016 budget request, how did the Administration account for the WRRDA direction when allocating funds in the budget request?

*Answer.* The fiscal year 2016 Budget takes into account some of the provisions of Section 2102 such as allocating not less than 10 percent of HMTF funds to emerging harbors and Great Lakes harbors.

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QUESTIONS SUBMITTED BY SENATOR PATTY MURRAY

HARBOR MAINTENANCE TAX

*Question.* As we all recall, getting the long overdue Water Resources Reform and Development Act (WRRDA) over the finish line was an uphill battle. But ultimately the end result was an important step forward for the Army Corps, water and navigation infrastructure, and the Harbor Maintenance Tax (HMT). Specifically, Section 2102 of WRRDA allows eligible ports to use funds from the Harbor Maintenance Trust Fund (HMTF) for expanded uses beyond the traditional operations and maintenance uses. For many years some of the largest generators of HMT funds, like the Ports of Seattle and Tacoma in my home State of Washington, have received only minimal returns from the HMTF because they are deep-water ports that require little maintenance dredging. Additionally, Section 2106 of WRRDA allows the

biggest HMT donor and energy ports to receive funding for expanded uses or for rebates to shippers and importers transporting cargo through their ports to partially compensate for the inequities in the current HMT system resulting in cargo diversion to non-U.S. ports.

WRRDA was signed into law on June 10, 2014, about 8 months ago, and yet we still have not seen implementation guidance from the Army Corps on Sections 2102 or 2106. In fact, there is very little of WRRDA to be seen in the Army Corps' fiscal year 2015 Work Plan or the President's fiscal year 2016 budget request. Our ports need the new tools authorized in WRRDA to make infrastructure improvements and to remain competitive in the global maritime economy.

Assistant Secretary Darcy, when can we expect the Army Corps' implementation guidelines to be completed? I ask that you complete this work quickly to ensure that the real changes Congress enacted can be included in the Army Corps fiscal year 2016 Work Plan. Furthermore, I urge the Army Corps to take steps to incorporate Sections 2102 and 2106 in the fiscal year 2017 budget request.

*Answer.* The Corps expects to complete implementation guidance for Sections 2102 and 2106 this spring.

#### MUD MOUNTAIN

*Question.* Assistant Secretary Darcy, as we have previously discussed, the Mud Mountain Dam project is of great importance to me, my constituents, and Washington State. Appreciate the time and energy you have put into finding a path forward with NOAA to ensure the Army Corps meets both its Endangered Species Act and tribal trust responsibilities by replacing the diversion dam and building a new fish trap facility. But I must say I was deeply disappointed to learn that no funding was included in the Army Corps' fiscal year 2015 Work Plan or the President's fiscal year 2016 budget request to get design work underway. In a recent phone call with me, you stated that upon completion of the decision document the Army Corps would reprogram funding in fiscal year 2015 and fiscal year 2016 to begin the design phase.

When can I expect the decision document to be completed? Further, I ask that you keep me apprised of any reprogramming requests made by the Army Corps to support this project.

*Answer.* The decision document, in the form of a letter report, is scheduled to be submitted to my office for review this summer. I will keep you apprised of any related reprogramming actions.

*Question.* Assistant Secretary Darcy, I need your commitment to work with me to achieve the aggressive 2020 timeline for a new and operational fish trap facility that the Army Corps has agreed to with NOAA in order to meet its Federal obligations and the needs of the community and ecosystem. Can I count on your commitment to this project?

*Answer.* Yes, the Army remains committed to meeting the requirements described within the 2014 National Marine Fisheries Service (NMFS) Mud Mountain Dam (MMD) Biological Opinion (BiOp).

#### COLUMBIA RIVER TREATY

*Question.* The Army Corps, through the Northwest Division, plays an important role implementing the Columbia River Treaty as a member of the U.S. Entity. Together with the Bonneville Power Administration (BPA), the Northwest Division engaged in a multi-year process with domestic stakeholders throughout the Pacific Northwest to reach a regional consensus to modernize the Columbia River Treaty. The "Regional Recommendation for the Future of the Columbia River Treaty after 2024" was presented to the Administration and U.S. Department of State in December 2013. Since then the Army Corps, BPA, and several other Federal agencies have been participating in an Interagency Policy Committee (IPC) process to determine the parameters for negotiations with Canada based on the Regional Recommendation.

Assistant Secretary Darcy, as a participant in the IPC process, can you share the timeline for formulating a consensus among the Federal partners on these parameters? Furthermore, are there any specific issues preventing the Federal partners from reaching consensus, completing the IPC process, and beginning negotiations with Canada?

*Answer.* The IPC has been gathering more detailed information from affected Federal agencies. It is anticipated that the IPC will convene to formulate a recommendation to the Administration concerning the National Interest Determination, but we have not been provided a timeline for the IPC to formulate a rec-

ommendation. The U.S. entity is not aware of any specific issues preventing consensus.

QUESTIONS SUBMITTED BY SENATOR RICHARD J. DURBIN

FUNDING FOR PROJECTS

*Question.* The Metro East community has taken significant steps to ensure their share of funding for construction of the Metro East levees, showing strong commitment to the project.

How many times has the Corps worked with a local sponsor who raised more than half the cost of a Federal project? If the Corps has worked with local sponsors who have raised more than the required match, please list those projects.

*Answer.* With regard to construction of a Corps project, the authorized non-Federal share can sometimes exceed 50 percent of the cost. This is generally the case for hydropower infrastructure and for some coastal navigation projects. It may also occur where the authorized project is the locally preferred plan.

A non-Federal sponsor may also provide more than the authorized non-Federal share of the costs under the authorities that allow the Corps to accept advanced or contributed funds. On this basis, local sponsors have paid more than 50 percent of the construction cost at least four times in recent years: for construction of the Milwaukee Harbor, WI; Miami Harbor, FL; Keystone Bridge, OK; and Sandbridge Beach, VA projects. In addition, the Corps recently executed an agreement for the non-Federal sponsor to advance all funds for construction of the Mile Point, FL, project. Details for these projects are included in the following table.

Project name	Type of funds	Total project cost	Non-Federal cost share	Additional funds provided	Total non-Federal funds provided
Milwaukee Harbor, WI (Dredged Material Disposal Facility)	Contributed	\$3,108,145	\$1,709,480	\$1,398,665	\$3,108,145
Miami Harbor, FL .....	Advanced	181,553,000	71,553,000	110,000,000	181,553,000
Sandbridge Beach, VA .....	Contributed	15,819,000	5,537,000	10,282,000	15,819,000
Keystone Bridge, OK .....	Contributed	15,000,000	0	6,000,000	6,000,000
Mile Point, FL .....	Advanced	46,400,000	11,500,000	34,900,000	46,400,000

Advanced funds in excess of the required non-Federal cost share are eligible for repayment, subject to the availability of appropriations. Contributed funds are not eligible for credit or repayment.

WATER RESOURCES REFORM AND DEVELOPMENT ACT—CONSOLIDATION OF GEOGRAPHIC PROJECTS

*Question.* In Water Resources Reform and Development Act (WRRDA) 2014, Congress instructed the Corps to allow for the consolidation of geographically consecutive flood risk reduction projects at the request of the local sponsor. The local sponsor of the Metro East Levee projects made that request on June 19, 2014, and the spring construction season is almost upon us.

Has the Corps developed the guidance necessary to implement this section? If not, what are the specific challenges associated with developing the guidance?

*Answer.* The Corps Headquarters is currently developing implementation guidance for Section 3012 of WRRDA 2014. Section 3012 of WRRDA is potentially applicable to many projects nationwide. Consequently, we need to carefully evaluate the complexities of implementing this provision, to ensure the guidance can be applied through a fair and consistent process nationwide.

WATER RESOURCES REFORM AND DEVELOPMENT ACT—PUBLIC/PRIVATE PARTNERSHIPS

*Question.* River commerce in America's heartland depends on the system of locks and dams on the Mississippi and Illinois Rivers. I was pleased to work with my colleagues in the 2007 reauthorization of the Water Resources Development Act to authorize modernization and expansion of the locks on these important Illinois waterways. These improvements make commerce more efficient and guard against catastrophic failures of current locks and dams as most of them reach 80 or so years old. At the same time, with current project delivery schedules and the tight Federal budget, these improvements are not expected to be realized until 2090 by some estimates. With that in mind I introduced the Water Infrastructure Now Public Private Partnership Act or WIN-P3, a version of which was included in the Water Resources Reform and Development Act (WRRDA) 2014 (Section 5014). The pilot pro-

gram would provide an opportunity for private financing to come to the table, accelerating project delivery of nationally significant water infrastructure projects like the locks and dams on the Mississippi and Illinois Rivers.

Please provide a detailed timetable for the development of the Corps' Public Private Partnership Pilot Program, as authorized in Section 5014 of the Water Resources Reform and Development Act (WRRDA) 2014.

*Answer.* The Corps has been evaluating how it might participate in public private partnerships in order to support the development and implementation of water resources infrastructure. With the passage of Section 5014 of WRRDA, the Corps has reviewed the law to determine how it can be applied in the best interest of the Nation. The first step includes identifying any policy and legal issues and then finding resolutions so that the Corps can enter into such partnerships.

#### MEL PRICE LOCK AND DAM

*Question.* The Mel Price Dam is a 100 percent Federal project that has a major design flaw, which Army Corps studies have found this situation puts the levee at an "unacceptable level of risk." Despite repeated calls to fix this problem the Corps has yet to finalize a design to shore up this critical stretch of levee. This delay is causing the Corps to spend millions each year in emergency measures to keep the levee from failing. The fiscal year 2014 Omnibus included both bill and report language directing the Army Corps to address the Mel Price issue, and yet there is little progress toward that goal.

What is the status of selection of a third party to oversee the Corps on its work on the Mel Price Lock and Dam repair project in Southwestern Illinois, pursuant to the 2014 Omnibus?

*Answer.* The language in the Bill is in regards to conducting an Independent External Peer Review (IEPR), which is a specific review activity performed by professionals who are external to the Corps, at a key point or points during the development of study reports and designs. The IEPR team provides comments on study and construction designs.

The IEPR for the recommended design in the study report is currently planned to begin November 30, 2015 and complete January 15, 2016. The Corps is currently discussing procedural options that could result in an earlier schedule for the IEPR. The study team continues to move forward with its efforts while options are being discussed.

#### GREAT LAKES AND MISSISSIPPI RIVER INTERBASIN STUDY

*Question.* The Corps released its Great Lakes and Mississippi River Interbasin Study (GLMRIS) report in January 2014, which was intended to identify options to prevent the transfer of aquatic nuisance species between the Great Lakes and the Mississippi River Basins. It is my understanding that stakeholders have agreed on a series of short-term steps the Corps could take to decrease the risk of Asian carp moving into the Great Lakes.

How have your conversations with Federal, State, and local agencies informed your next steps to prevent Asian carp from entering the Great Lakes?

*Answer.* The Great Lakes Commission publicly identified implementation of measures to reduce the risk of Asian carp, which included modifications to the Brandon Road Lock and Dam. Additionally the Chicago Area Waterway System Advisory Committee, a group of governmental and non-governmental stakeholders representing commercial, navigation, and environmental interests, identified actions such as evaluating aquatic nuisance species controls at Brandon Road that can reduce the risk of Asian carp reaching the Great Lakes Basin.

*Question.* Based on the evaluations presented in the GLMRIS Report and in response to stakeholder input, the Assistant Secretary of the Army for Civil Works directed the Corps to proceed with a formal evaluation of potential control technologies to be applied in the vicinity of the Brandon Road Lock and Dam, located near Joliet, Illinois.

How do the proposed actions at Brandon Road fit into these efforts?

*Answer.* See above response.

*Question.* How will the Corps use the \$500,000 requested in the fiscal year 2016 budget to implement these next steps?

*Answer.* Fiscal year 2016 funds will be used with anticipated fiscal year 2015 carryover funds to continue the feasibility-level decision document for the Brandon Road project.

## WATER OF THE U.S.—RULEMAKING

*Question.* There has been a lot of confusion surrounding how the proposed “Waters of the U.S.” rule would affect agricultural communities, industry, and counties in my State.

Would the new rule expand Clean Water Act jurisdiction in the State of Illinois? If so where?

*Answer.* In the economic analysis that was done for the proposed rule, the Environmental Protection Agency (EPA) estimated a slight increase in jurisdictional waters nationally, of approximately 3 percent compared to current practice. The EPA is preparing an updated economic analysis that will be published with any issued final rule which will also include an updated estimate of any change in jurisdiction under the Clean Water Act.

*Question.* How would the Corps’ determination of ‘jurisdictional waters’ differ under the proposed rule from its practices under the 2007 guidance?

*Answer.* The agencies are proposing this rule to provide much needed clarity regarding which waters are and which waters are not jurisdictional under all sections and programs of the CWA. Our proposal is consistent with the best available science and the agencies’ interpretation of the Supreme Court decisions; this proposed rule is aimed at improving efficiency in making jurisdictional determinations.

The proposed rule retains much of the structure of the agencies’ longstanding definition of “waters of the United States,” including many of the existing provisions that do not require revision in light of the SWANCC and Rapanos Supreme Court decisions or other bases for revision. Under the 2007 Rapanos guidance, updated in 2008, the agencies are required to make case-specific significant nexus determinations for certain categories of waters, including certain adjacent wetlands and tributaries. The proposed rule will improve clarity for regulators, stakeholders, and the regulated public. The proposal accomplishes this by defining certain categories of waters that under current policies require case-specific analyses, as jurisdictional by rule “waters of the United States.” A case-specific significant nexus determination would be required for waters that would not be jurisdictional by rule as long as those waters do not meet one of the exclusions included in the proposed rule. The proposed rule also adds clarity by providing definitions of “tributary,” “neighboring,” and “significant nexus.” Certain types of waters or features are proposed to be excluded for the first time in rule language, including certain ditches, stock ponds created by excavating and/or diking dry land, and gullies, rills and non-wetland swales.

*Question.* While the intent of the proposed rule is to provide clarity on the definition of “waters of the U.S.” (WoUS) subject to jurisdiction under the CWA, many of the actual methods used in a jurisdictional determination by the Corps are not expected to change. For example, the Corps would continue to use desktop and field-based tools, including remote sensing tools, existing methodology under the wetland delineation manual and accompanying regional supplements, and existing methodology for identifying the ordinary high water mark including the manuals developed for certain regions of the country. In addition, the options for requesting either an approved or preliminary jurisdictional determination would remain available to landowners.

Would the proposed rule cause additional permitting requirements? If so, how?

*Answer.* The proposed rule provides a definition of WoUS under the CWA and does not modify any statutory provisions or regulatory requirements associated with obtaining authorizations under section 404 of the CWA. The increase in jurisdictional tributaries, adjacent waters, and other/isolated waters over current guidance would correspond to an increase in the number of permits required. However, there may be efficiencies gained as additional categories of waters will be determined to be jurisdictional or non-jurisdictional by rule, which previously required case-specific significant nexus determinations.

The proposed rule does not modify or revoke any of the efficient permit mechanisms currently available, including general permits. In addition, the agencies’ proposed rule would retain all existing Clean Water Act exemptions and exclusions, including those associated with certain activities such as normal farming, ranching and silviculture, and maintenance of irrigation and drainage ditches.

## SUBCOMMITTEE RECESS

Senator FEINSTEIN. I would really like to thank everybody for being here today. I very much appreciate your interest in this subject. So thank you for being here, and the subcommittee will stand adjourned.

[Whereupon, at 4:43 p.m., Wednesday, February 11, the subcommittee was recessed, to reconvene subject to the call of the Chair.]