<u>Testimony of Wade Crowfoot, California Secretary of Natural Resources</u>

before the House Transportation and Infrastructure Subcommittee on Water Resources

and Environment titled "Proposals for a Water Resources Development Act of 2022:

Stakeholder Priorities." February 8, 2022, at 11:00 a.m. EST

Chairwoman Napolitano, , Ranking Member Rouzer and distinguished members of the Subcommittee, thank you for your stewardship of critical water and environmental investments across the county. I appreciate the opportunity to testify before you today to discuss California priorities for water infrastructure needs in the proposed Water Resources Development Act (WRDA) of 2022.

As the California Secretary for Natural Resources in the Administration of Governor Gavin Newsom, I oversee efforts to advance our mission to restore, protect and manage the state's natural, historical and cultural resources for current and future generations.

Water is life everywhere, with a profound importance in California—the state with

- the biggest population;
- the largest number of plant and animal species;
- the most robust agricultural economy;
- the most variable precipitation; and
- biggest asymmetry between where our rain and snow fall and where most of that water is used.

Water infrastructure is central to California's prosperity, and the U.S. Army Corps of Engineers plays a key role.

I am grateful that our Governor's Administration and the Corps are aligned in our efforts to help communities improve their resilience to extreme weather events; build partnerships with local communities; promote environmental justice in disadvantaged, underserved, and rural communities, and align natural and engineering processes to deliver environmental, economic, and social benefits.

The 2020 WRDA will help put Californians to work, with its big investments in the Ports of Los Angeles and Long Beach. We appreciate the WRDA 2020 resources that allow the Corps to focus on long-term water reliability and local water supply. That's our focus, too. A theme of the Newsom Administration's Water Resilience Portfolio, our policy blueprint, is that every region of California faces different water challenges, and the state and federal governments must support local coalitions doing the work it takes to endure more intense droughts and floods.

In recent years, the state of California has made historic investments in water resources to support local resilience. The budget enacted by the Governor and Legislature last year included \$5.2 billion in drought response and long-term water resilience investments. Last month, the Governor proposed additional investments of \$750 million. These investments will go a long way toward helping the varied regions of California prepare for distinct challenges as global temperatures rise. But those billions of dollars are still just a down payment. The need is vast. For example, in the 400-mile-long Central Valley, where the rivers running out of the Sierra Nevada mountains drain, we estimate that it will cost more than \$8 billion to achieve a 200-year level of flood protection for urban areas that include Sacramento, Stockton, and Merced. The Corps, with a potential 65 percent cost share through its Civil Works Program, is a crucial partner to helping us protect lives and property.

In all, the state last year expended \$117.5 million for Central Valley flood risk reduction projects in fiscal year, and the Corps has spent approximately \$175 million in the same period. The 2022 Civil Works President's Budget includes \$190 million for Corps' Central Valley flood projects, while California's budget includes an additional \$142 million to continue strengthening flood protection. We hope the WRDA you develop this year continues the Corps' commitment to protecting the urban areas of California's Central Valley.

There is another important but more technical request I hope you will consider. At stake is \$200 million of investment California already has made to reduce flood risk in the Central Valley. California amassed excess credits through early investment in flood risk reduction projects in the Central Valley. These investments were made in good faith on congressionally-authorized projects in a fully transparent and cooperative manner with the Corps. If the WIIN Act language in WRDA 2022 is not modified to eliminate the 2024 deadline and clarify how and when non-federal sponsor credits are transferred between authorized federal projects, California risks stranding of over \$200 million of investments.

Revisions to the WIIN Act will ensure that the federal government can meet its financial commitment to reduce flood risk for 634,000 people and over \$84.3 billion of assets in the Central Valley alone. The state is depending on these excess credits to provide a portion of the non-federal cost share on the American River Common Features 2016 project and the Lower San Joaquin River Project. The excess credits are a result of the state's previous investments that accelerated projects, reduced risk sooner, and reduced the overall cost of the Corps projects, saving millions of dollars of federal funding. Staff at the California Department of Water Resources would be happy to work with you on that issue.

In the 2022 WRDA, we also would like to see Congress encourage the Corps for further support for "nature-based solutions," such as through the Corps' "Engineering with Nature" initiative. The California Department of Water Resources entered in an MOU in 2021 with the Corps to further collaborate on nature-based solutions. We appreciate the working relationship with the Corps.

We are working together, for example, to expand the floodplains of the Sacramento, San Joaquin, and Pajaro rivers in order to improve flood protection while also improving and restoring habitat; sustaining agriculture; improving water quality, and increasing opportunities for recreation, outdoor education, and access. It is important that the next WRDA would advance this multi-benefit work, especially in communities like south Stockton and Watsonville, where many residents are low income.

Governor Newsom and California have made climate resilience, biodiversity conservation and equitable outdoor access for all top policy and funding priorities. Enhanced partnerships and collaboration with the Army Corps are critical for these efforts.

Dredging waterways to protect navigation is a major Corps responsibility. As part of the Corps funding process, they fund maintenance dredging, but do not routinely fund beneficial use of dredged, uncontaminated sediment. As a result, the vast majority of dredged material goes to the lowest-cost disposal option, frequently ocean dumping. At a time where sea level rise is increasingly jeopardizing beaches, wetlands, ports and communities, the Corps' consideration to make beneficial use of sediment a top-funded priority is critical. In California, this would mean increased coastal resilience and increased wetland acreage. For example, enlarging and restoring thousands of acres of wetlands along San Francisco Bay by beneficially using dredge sediments will protect local communities and numerous ports from the growing threat of sea level rise

while enhancing carbon sequestration and the Bay's extraordinary biodiversity as the largest estuary on the West Coast.

Additionally, any opportunities that support projects to increase coastal resilience, wetland acreage, and other habitat restoration should be accelerated. California wants to work closely with the Corps to increase the pace of project implementation by "Cutting Green Tape" through simplified joint permit processes, joint consultations, and agreed-upon short permit review timelines. We urge the Corps to make expediting these types of projects a top priority.

We also would appreciate continued Congressional investment in the Corps' crucial work to update water control manuals that guide operators at keystone reservoirs including Oroville and New Bullards Bar.

Many Corps water control manuals have not been updated in more than a generation.

Meanwhile climate change and new forecasting technology create a need and opportunity for more flexibility in reservoir operations. In California, we especially appreciate the way the Corps is aligning its updates of water control manuals with use of forecast-informed reservoir operations, or FIRO. FIRO is a strategy that integrates flexibility in reservoir rules of operations and enhanced forecast skill, to potentially improve operations for flood control and water supply. DWR and the Corps continue to seek state and federal funding to support FIRO; the 2021-22 state budget included \$10 million for FIRO. The research arm of the Corps has continued funding to engage in FIRO projects (about \$5 million this year) which includes the Yuba, Feather, Russian, and Santa Ana rivers in California and the Howard Hansen dam in Washington state.

Together, updated water control manuals and FIRO can give California reservoir operators the information and flexibility they need to adjust to warmer, flashier storms and

reduced snowpack. This will help save lives in wet years and conserve water for dry years. It is, in other words, a great tool for climate adaptation.

Finally, I hope that the 2022 WRDA continues funding and support for the Corps at the Salton Sea. California just committed another \$220 million over the next three years in habitat restoration and dust suppression at the Sea. It will take a strong partnership with the Corps -- the lead federal agency on this work -- for us to succeed in protecting public health and maintaining a crucial food supply for millions of migratory birds.

In the coming year, I look forward to working with this committee and its members on priorities like these as you chart federal investments in water resources. Thank you, Chair DeFazio and Chairwoman Napolitano. This concludes my testimony, and I am happy to answer any questions you or other members may have.

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