

Excerpts from the July 16th Senate Public Lands and Forests Subcommittee Hearing

*Senator Tester's first set of questions for the Administration's Witness:
Starts 49 minutes and 20 seconds into the hearing*

Senator Tester (ST): I need to speak on, to ask some questions on, I believe it is S3085, the watershed bill.

Henri Bisson (HB): Senator, we have a Bureau of Reclamation technical witness here who could answer questions you might have. If it would be ok, I would like to ask her to sit up here.

ST: That would be marvelous.

HB: Her name is Avra Morgan.

ST: Avra, it is good to have you here. I assume all the questions should be directed to her, right Henri?

HB: Yes, Senator.

ST: How long have you worked for the department?

Avra Morgan (AM): I work for the Bureau of Reclamation, and I have worked there for five years.

ST: For five years. And you're still employed currently.

AM: Yes.

ST: And you plan on being employed for a while longer, right?

AM: Yes.

ST: Ok, I just wanted to make sure because the last one we had, the last guy was a short timer, a great guy, but he was a short timer, so that's good. A couple of things The administration supports ideas laid out in S3085. Would that be fair to say?

AM: The administration supports the goals in S3085, but cannot support the bill primarily because of their concern that it would compete for funding with other efforts ongoing by the administration by Reclamation for similar types of programs.

ST: Is there a similar type program to this already on the books?

AM: The programs that we have that are similar to this I would say are those included in the Water for America Initiative. The Water 2025 program, which you may be familiar with, includes a challenge grant program for projects to increase water use and efficiency. Also system optimization review is under that same program.

ST: Mr. Chairman, my next line of questions, since she brought up the Water for America Initiative, is going to take longer than 35 seconds. I am willing to come back or I can just keep going.

Sen. Wyden (SW): What kind of time does the Senator need?

ST: Another five minutes.

SW: Why don't we take another five minutes.

ST: Ok, that's fine. Do you know how much the budget request was for the Water for America Act for 2009?

AM: For 2009 the request is \$21.3 million for the Water for America line item. That is both for ... yes ... For the Bureau of Reclamation, just to refine that a little bit, the total request for Water for America activities is \$31.9 million.

ST: \$31.9 million total. How much of that money is dedicated to programs that might overlap with bill?

AM: Well the challenge grant program will be about \$11 million.

ST: \$11 million. How much of that \$11 million will be dedicated to local watershed groups to be able to hire full time coordinators?

AM: Well, it is difficult to say. In general, the Water 2025 challenge grant program provides grants to irrigation districts, water districts, municipalities and states. However, we do encourage cooperation with stakeholders, and some of them have formed groups to administer the grants and to implement projects. But it is difficult to say whether they will or not. We encourage it, but it doesn't always happen.

ST: So you really don't know?

AM: No

ST: Ok. How much is dedicated for them to undertake projects.

AM: Of the \$11 million, most of the \$11 million would be dedicated towards that.

ST: To local watershed groups?

AM: Oh, for local watershed groups. It's dedicated for projects by water and irrigation districts, municipalities who may be part of watershed groups or may form watershed groups, but not... It's impossible to say whether they would be applying.

ST: Ok. Then so how much was given to local watershed groups for any reason? Do you know that?

AM: Well as I said, the funds, to be eligible to receive the funds you have to be a water management entity created under state law so that includes districts, irrigation districts, conservation districts, municipalities and states.

ST: Ok. We are going to have a person come up and testify that works for a watershed group in the next panel of witnesses. He was worked all over the state of Montana. I am going to ask him how available this government money was. We had a wolf hearing last week and I was told the Department of Agriculture had plenty of money for taking care of ranchers who had lost cattle or sheep to wolves. When in fact that wasn't the case at all. And I am here to tell you that, and you are a great lady, but you don't know how much was allocated to hire fulltime coordinators, you don't know how much was dedicated to undertake watershed projects, you don't know how much was allocated for these groups for any reason and the fact is I think the administration shot from the hip on this one. They didn't know what they were going to hit when they shot, but they just wanted to oppose us because they think they have something that works that don't work. Would you like to comment to that.

AM: Yes. I didn't mean to imply that the challenge grant program is directed at exactly the same purposes as your bill, I don't believe that it is. I think what is different from your bill is that aimed at forming watershed groups, and that is not the purpose of the challenge grant program. Watershed groups sometimes participate in a challenge grant program, but that is not the primary purpose. I did not mean to imply that it was.

ST: Thank you for that answer, because, why is there a conflict then?

AM: The conflict is in terms of a concern about competition for funding for our programs that have similar goals. While they may not be exactly the same in terms of implementation, they have similar goals directed at water conservation and improving water quality.

ST: But totally different groups, totally different designs. You've got collaborate efforts with these watershed groups. Totally collaborate. And by the way, I think collaboration is key when

it comes to water. You've got to have everybody sitting at the table or you're going to end up in court anyway.

AM: We agree with you, and I would agree that as we said, that your program is geared toward the formation of these watershed groups and we do not have a program that provides funds to watershed groups to form coalitions. Where the similarity lies is that in our program for challenge grants we do give extra points in the scoring process when we are considering projects if they are put forth by a group of stakeholder's from a watershed. We also have the basin studies program as part of Water for America that does rely on stakeholders in an entire watershed.

ST: I understand. Water is the most important thing we have on this earth. If you don't have good water you're done. I mean life literally cannot exist if you don't have good water. And I think that by your own answers to these questions it tells me that we are not taking care of the resource in a way that we could, that is most cost effective I might add because you are bringing in local governments with local cost share and local people on the ground which tend to be much more cost effective than us coming from top down stuff. This is going to be more bottom up stuff once we get this thing going. I have more questions but I will wait until the Senator from Idaho gets done.

***Senator Tester's second set of questions for the Administration's Witness:
Starts 59 minutes and 0 seconds into the hearing***

ST: This will stay on S3085. Is the BOR willing to work with my staff to iron out the administration's concerns of this bill... except for the money issues?

AM: Certainly we are.

ST: Is that something we can expect in the next week? The next few weeks? When can we...

AM: We are happy to talk to your staff as soon as they are available to talk about any technical issues.

ST: Alright good. If you cannot support this program ... We've got a number of watershed groups, I'll ask Tom Hinz when he comes up here next how many there are in the state because I'm sure he will know, but one of them is a group called the Greater Gallatin Watershed Coalition, a high growth area of the state, that deals with water issues. They are having a hack of a time because they cannot get grants under the Water for America Initiative, they are not eligible. This group consists of farmers, recreationalist, government officials, business folks. What can the BOR do to help these groups if a bill like this isn't passed?

AM: Well, they could partner with an eligible entity under the challenge grant program. They could also participate in our new basin studies program which is kind of a broader scope, but it's focused on studies, it's not focused on water implementation projects like the challenge grant program is. We also have our field services program which has technical staff in our regional and area offices that are focused on helping individual irrigators and local entities in a technical sense.

ST: Well, you know what I would like to have you do if it wouldn't be too much of a problem? If you could get me a list of programs out there that would help this group specifically and then we might just see if any of that money is available.

AM: Ok

ST: Alright, thank you very much. And I want to thank all of the panelists. Thank you guys for being here.

***Senator Tester's questions for Tom Hinz:
Starts 1 hour, 22 minutes and 8 seconds into the hearing***

ST: Thank you Mr. Chairman. And Tom I want to thank you for being here today. My staff tells me your trip started out in Bozeman, MT, then went to Salt Lake, then went to Atlanta, then up here, and all the while you had a seatmate that was a 10 month old child. We all know what that is like so we want to thank you for being here. I appreciate your testimony and I want to thank all those folks who chipped in to get you here. How many watershed groups are there in Montana? Do you know that?

Tom Hinz (TH): The Montana Watershed Coordination Council which is an information sharing forum that sort of coordinates the work of the watershed groups from Montana currently estimates that there are about 53 active watershed groups in Montana.

ST: So basically north, south, east, west, they fairly well cover the state?

TH: They're all over the state, yes.

ST: And is it fair to say they are all on shoe string budgets and for the most part underfunded? I mean everyone can claim they are underfunded, but truthfully do they have enough money to be effective and as effective as they could be?

TH: Without question they don't have enough money to be as effective as they could be. There are more well known watershed groups like the Blackfoot Challenge, which I am sure has been discussed in these proceedings earlier, who received funding for a variety of management programs, but for the types of work that we are talking about in Senate bill 3085, I would say without question all of our watershed groups don't have the funding necessary to do the work described therein.

ST: Could you sum up for me fairly concisely what the two or three biggest problems are for start up groups like the Gallatin watershed group?

TH: The Greater Gallatin Watershed Council that I chair and the other watershed groups in Montana, I think have three. The three primary challenges are number 1, providing a continual source of funding so that you can secure a coordinator and someone essentially to staff the work of the volunteer board. Pulling the stakeholders together from very diverse interest groups including impacts associated with development and other sectors of the watershed is a challenge as well. But that is something I think our watershed groups do pretty well. I think the other big challenge for these groups is getting the funding to do projects. We need to come up with funding from, as I mentioned earlier in my comments, from private foundations. In some cases I think pursuing projects because there is funding available to do certain things that draws our watershed groups in one direction or the other because that is where the funding is available. But for the work that is described in S3085 most of our watershed groups have essentially no funding. Our group at our annual meeting in January of 2008 for general operating funds had \$0.76 on account.

ST: And these groups are basically focused on what you talked about in your testimony, and that's water conservation and quality?

TH: They are. I think that is based, I believe, on the acknowledgement that whether you are in the business of livestock production, irrigated agriculture, trout fishing, duck hunting, or are someone who just likes to recreate, swim, enjoy the water, take your family to the river to have a picnic, all of those people depend on one thing and that is clean water as you mentioned earlier

in your comments Senator, and so that is where we focus because we know if we can meet that one need, the needs of all these groups will ultimately be realized.

ST: Recently this bill was called a recipe for disaster because it brought to the table folks who raise crops and livestock. Could you visit a little about how important it is to have these folks and all of the folks at the table.

TH: The user groups, stakeholders that you just mentioned are without a doubt the primary conservationists in Montana. If it was not for our farmers and ranchers our programs would be dead in the water because literally it is farms and ranches that give us the foundation for doing stream restoration work, wetland restoration work, riparian conservation, because they still hold land in large enough pieces that they need to create a living for themselves there and it is those large pieces that if we put them on conservation easements or some other conservation status we have a land owner or a family with whom we can work to do watershed restoration projects to enhance water quality and to secure surface water and ground water supplies.

ST: In their testimony, and Avra Morgan pointed this out in the questions, that there was an overlap with the Water for America Initiative and that is one of the reason they oppose this bill. Do you see any overlap?

TH: For the Greater Gallatin Watershed Council there is none.

ST: No overlap?

TH: Zero. We don't qualify for those funds. The one aspect of the administrations testimony where I have some experience is in the challenge grant program through Department of Interior agencies including the Fish and Wildlife Service, the BLM, and the BOR. But specific to the BOR funding, we have worked with BOR on funding some projects on the main stem Madison Missouri River through a cooperative program with PPL Montana, but for local watershed groups like the Greater Gallatin Watershed Council that's a non-issue. We don't have access to any of those funds. None.

ST: When water issues, local water issues in particular get out of hand it usually results in litigation, it ends up in the courts. As the lady before talked about there were water fights a long time ago and there continue to be. Do you see the role of these watershed groups minimizing the kind of actions that could take place in court and settling this stuff before it gets to a boiling point? From a litigation standpoint do you see empowering these groups being able to.....

TH: From the perspective of the administration and the comments that were conveyed earlier I think it would be nice to be able to say through the collaborative work of these watershed groups there was significant savings in the offing in terms of reduced court costs, lengthy legal battles, things that move up from the court system from the state to the federal level, etcetera, but the thing I think we have to sell essentially is the value that would emanate from Senate bill S3085, the ability of our watershed groups to conserve water. Whether we are going to save, or be more effective in saving the federal government money as a result of preventing some litigation through the work of the watershed groups I guess I can't respond to that because we don't have samples of that I don't think in Montana yet like in the Klamath basin of Oregon for example. But one thing I am convinced is that our watershed groups can do this work and bring these groups together, diverse stakeholders together, and deliver these benefits that conserve the water that Montanans need and I hope that we can do that and I believe that we can do that and generate significant benefits for people that live in Montana, visit Montana, or downstream users of Montana water.

ST: Very good. I want to thank you Tom I appreciate your testimony. I appreciate your answers to the questions and I appreciate your coming all the way to Washington DC. With that, this committee meeting is adjourned.