STATEMENT OF BRUCE I. KNIGHT, CHIEF NATURAL RESOURCES CONSERVATION SERVICE U.S. DEPARTMENT OF AGRICULTURE BEFORE THE

U.S. HOUSE OF REPRESENTATIVES COMMITTEE ON AGRICULTURE SUBCOMMITTEE ON CONSERVATION, CREDIT, RURAL DEVELOPMENT

December 6, 2005

AND RESEARCH

Mr. Chairman and Members of the Subcommittee:

Thank you for the opportunity to appear before the Subcommittee to discuss water resource program activities of the Natural Resources Conservation Service (NRCS). The mission of NRCS is to help people help the land. Through the water resource programs that NRCS administers, our employees work in partnership with local leaders to improve the overall function and health of our Nation's watersheds. I am pleased to appear before you today to share with you the accomplishments of the past as we consolidate our gains in these programs, and develop a vision for the future. Our goal is to improve local communities' access to clean, safe, and reliable water resources.

Last August, NRCS celebrated the 50th anniversary of the Watershed Protection and Flood Prevention Act of 1954 (Public Law 83-566) which established the Agency's water resource programs. This statute, along with the Flood Control Act of 1944 (P.L. 78-534), has provided NRCS the authority to complete work on 2,000 watershed projects nationwide, through helping local communities construct 11,000 flood control dams. The dams and other measures implemented through these watershed projects provide more than \$1.5 billion in benefits every year by controlling floods, conserving water, and improving community water supply.

Specifically, flood control and other measures built under NRCS water resource programs protect nearly 58,000 bridges, 176,000 farms and ranches, and more than 46,000 businesses. These projects also conserve nearly 1.8 million acre feet of water per year.

Investing in Local Communities

Today, I will primarily focus my remarks on the three water resource accounts aimed toward comprehensive watershed planning and flood prevention. These programs are: 1) Watershed Surveys and Planning, 2) Watershed Protection and Flood Prevention Operations, 3) Watershed Rehabilitation, and 4) Emergency Watershed Protection Program and the Emergency Conservation Program.

These NRCS water resource programs provide communities and landowners water and site-specific technical expertise for planning and financial assistance for watershed project implementation. The programs provide a process to solve local natural resource problems, including flood damage mitigation, water quality improvement, ensuring an adequate rural water supply, water conservation, soil erosion control, and fish and wildlife habitat improvement.

The watershed programs are founded upon the principle of locally-driven, watershed-scale conservation, and address problems that cannot be solved on individual farms and ranches. Local governments and other sponsors initiate projects with the help of NRCS. Local sponsors are empowered as decision-makers to build State and local partnerships, and acquire local funding contributions.

NRCS assists with the planning and implementation of watershed projects, serving as the primary technical advisor, delivering science, technology, and knowledge about the natural resource base and ecosystem of the watershed. NRCS also can provide a source of funding to implement these projects. The local sponsoring organization submits an application for Federal assistance, assures public participation, makes project planning and implementation decisions, obtains land rights and permits, provides local cost-share funds, and operates and maintains project measures.

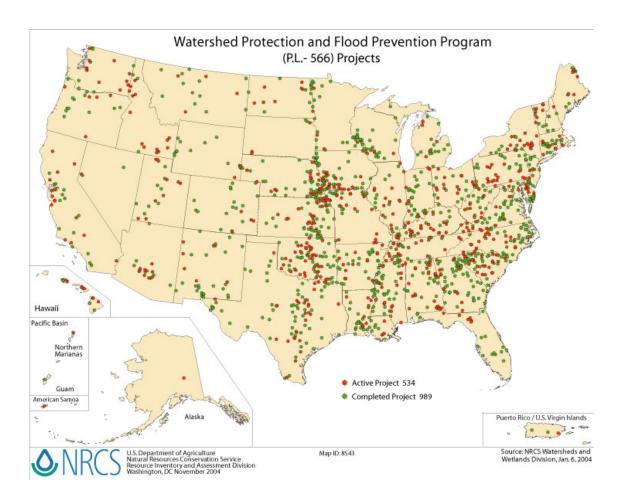
Watershed Surveys and Planning

The Watershed Surveys and Planning Program helps communities and local sponsors assess natural resource issues and develop coordinated watershed plans that will conserve and utilize their natural resources, solve local natural resource and related economic problems, avoid and mitigate hazards related to flooding, and provide for advanced planning for local resource development. The NRCS planning process provides the structure for local partners to take a comprehensive approach to protecting water quality and quantity that focuses on natural resource solutions for the whole watershed. Developing the plan involves a number of activities, including: targeting priority resource problems in a watershed; promoting involvement by local partners; developing solutions to problems through the use of the expertise and collaboration of multiple agencies and organizations; and measuring success. Traditionally, these partnership plans became the basis for future Watershed and Flood Prevention Operations (P.L.83-566) projects.

Within the scope of this program, additional authorities include Floodplain Management Studies, Cooperative River Basin Studies, Flood Insurance Studies, Watershed Inventory and Analysis, and other types of studies. Over 65 percent of these plans are stand-alone products which are used to guide local planning efforts; the other 35 percent guide both the local sponsors and technical experts in the implementation of watershed projects to solve natural resource problems. In fiscal year 2006, Congressional language directed NRCS not to initiate any new watershed surveys and planning starts.

Watershed Protection and Flood Prevention Operations

There are over 2,000 Watershed Protection and Flood Prevention Operations projects in the United States that have created a \$6 billion national infrastructure. These projects provide multiple benefits to more than 48 million people in local communities. Each project has a specific purpose and benefit; most address a primary purpose of flood control, while other projects benefits include upland conservation practices that address a variety of natural resources needs such as water quality improvement, soil erosion control, animal waste management, irrigation, water management, water supply development, and recreation enhancement. USDA shares the cost with local communities. The following map depicts the scope of this program across the Nation.

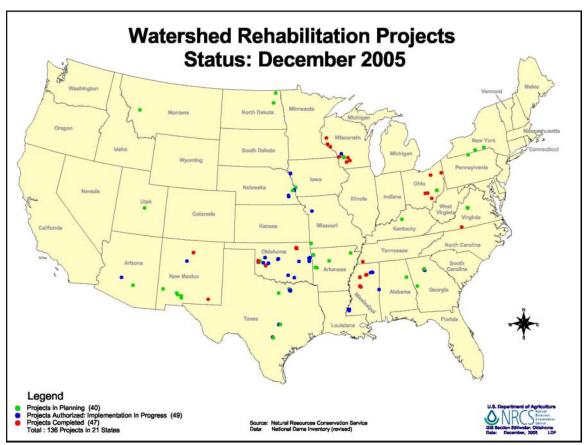


An example of the kinds of projects being implemented across this country is the Upper Red Rock Creek project in Oklahoma, where a groundbreaking ceremony took place this fall. This project will provide flood protection for agricultural lands downstream and for a major Interstate Highway in Oklahoma. The dam will have a drainage area of 5,766 acres, store 2,600 acre-feet of water, and create a 95-acre lake. NRCS is constructing the dam under the Watershed Protection and Flood Prevention Program. While most of the dams have been built primarily for flood protection and sediment control, they also have the added benefit of serving as recreational areas, and many are used for livestock and irrigation water.

We have initiated an aggressive process to assess and categorize the list of applicant watershed projects to draw out considered and planned resource treatment needs that cannot be addressed through other NRCS programs. The expected result will be a realistic applicant pool of projects that focus on mitigating flood damages, and/or providing water supply and water conservation.

Watershed Rehabilitation

Since 1948, over 11,000 flood control dams have been built in the 2,000 watersheds projects across America. Many of these dams were designed for a 50-year life span and now are at, or near, that age. By 2010, more than 1,800 dams will exceed their design life. NRCS is actively helping local communities rehabilitate aging dams. Since enactment of the Watershed Rehabilitation Amendments of 2000 and subsequent amendments in the 2002 Farm Bill, NRCS has 96 dams that have rehabilitation plans authorized and the projects are completed or implementation of the plans is underway. The average dam rehabilitation cost is \$1.2 million. The following map highlights the work to date under this program:



Under the Watershed Rehabilitation program, funding is authorized in both discretionary and mandatory accounts.

Emergency Recovery Programs

Mr. Chairman, we are proud of the fact that NRCS water resource programs work toward preventative measures to restore the proper function of watersheds by taking a holistic approach to implementing solutions. Our watershed programs provide the tools and process for local communities to develop solutions for holding water in the upland reaches of the watershed where the water can be the most beneficial to the landscape. NRCS and the Department stand ready to respond and provide resources should disasters occur, as has recently been the case with hurricanes in the Gulf region. USDA provides recovery assistance through two primary programs: the Emergency Watershed Protection (EWP) program administered by NRCS, and the Emergency Conservation Program (ECP) administered by the Farm Service Agency (FSA). The purpose of the EWP program is to undertake emergency measures, including the purchase of floodplain easements, for runoff retardation and soil erosion prevention to safeguard lives and property from natural disasters. The typical process for delivery of this program starts with the local sponsor requesting assistance for a disaster recovery effort. NRCS then conducts a damage assessment to identify if the project is eligible and develop an estimated cost. Typical work under this program ranges from debris removal from clogged streams caused by flooding; installing conservation measures, like reseeding native grasses, to prevent soil erosion on hillsides after a fire; or replanting and reshaping streambanks due to erosion caused by flooding. At the request from communities across the Gulf region recovering from Hurricanes Katrina and Rita, NRCS has completed nearly \$23 million in recovery work under the EWP program.

The Emergency Conservation Program (ECP) provides cost-share assistance to agricultural producers to rehabilitate farmland severely damaged by natural disaster and to provide emergency water conservation measures during periods of severe drought. The ECP is administered through State and County Farm Service Agency (FSA) committees. Since 1993, the ECP has been funded through supplemental appropriations. Immediately following the impact of Hurricanes Katrina and Rita, FSA provided more than \$31 million to the affected areas of Alabama, Louisiana, Mississippi, and Texas. The ECP sign-up periods were established and producers were informed about the availability of the program. In his announcement on October 28, 2005, Secretary Johanns announced that as part of the President's reallocation proposal, USDA was requesting \$160 million in additional funding for the FSA to provide cost-share assistance for emergency measures to clean-up and repair hurricane-related damage of agricultural lands; and \$200 million for the NRCS to provide cost-share assistance to retard runoff, prevent soil erosion, and repair watersheds.

Both of these programs offer vital recovery options for local communities when disaster strikes.

Future Course

In fiscal year 2006, the Administration proposed cuts in funding for Watershed Surveys and Planning by nearly 30 percent, reducing Watershed Rehabilitation by 45 percent, and eliminating funding for Watershed Operations. However, I want to say

unequivocally that zero funding does not mean zero support. This Administration is not abandoning its commitment to the goals of the watershed programs. We are not giving up on local cooperative partnerships that cut across property lines and jurisdictions. But it is time to re-think our watershed programs. It is time to begin a discussion on what a watershed program might look like if it is based on current national priorities and with consideration of the conservation programs available since the 1996 Farm Bill.

For the last several years, NRCS has been managing a watershed program over which it has had little control. We have been administering a program that is nearly 100% earmarked and that poses some serious problems. This has created problems in setting and addressing national priorities that will garner the greatest environmental benefit; providing the high-quality technically trained interdisciplinary staff in the proper locations; and in strategically improving the health of critical watersheds.

In addition, there is some duplication between the water resource programs and Farm Bill conservation programs. As an Agency we can provide land treatment, with the Watershed Protection and Flood Prevention Operations Program, the Conservation Technical Assistance Program, and through the Environmental Quality Incentives Program. So then the challenge becomes, how do we together, re-examine these programs to efficiently address the needs of local communities in the 21st Century without duplication.

Charting a New Course

The Watershed Protection and Flood Prevention Operations Program is at a crossroads. NRCS has undertaken an effort to examine the future of the water resources programs. One of the strategies we are investigating to increase the efficiency of resource planning and conservation practice implementation is the use of rapid watershed assessments. Rapid watershed assessments could provide initial estimates of where conservation investments would best address the concerns of landowners, conservation districts, and other community organizations and stakeholders. The final rapid watershed assessment product identifies and summarizes current resource conditions and related maintenance costs; desired resource conditions; conservation opportunities; and potential funding sources for conservation practice implementation within a watershed. The accelerated process includes extensive stakeholder input, provides a transparent process for our partners, and serves as a platform to enhance the delivery of our Farm Bill conservation programs. In addition, rapid watershed assessments would identify areas and resource concerns that demand more intensive data collection and planning and would serve as a solid foundation for watershed plans developed through the Watershed Surveys and Planning program.

Then, based on the priorities generated by the rapid watershed assessment, detailed plans would be developed for specific high-priority watersheds and subwatersheds. These plans would include detailed resource inventories, analyses, problem identification, and alternative solutions. They would specify land treatment solutions,

on-site and off-site benefits, and identify conservation programs that could be utilized toward implementation of the plan.

Summary

In summary, the U.S. Department of Agriculture has accomplished much in the water resource programs over the past 50 years. Economic, social, and environmental benefits from these programs have been significant for both agricultural and urban communities, which will continue to enjoy reductions in erosion, improved water quality, flood mitigation, greater productivity of cropland and rangeland, and many recreational opportunities. Through the Department's watershed programs, we look forward to helping people help the land.

I thank the Subcommittee and would be happy to respond to any questions.