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U.S. Department of the Interior
Before the
Subcommittee on Energy and Water Development
Committee on Appropriations
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On The President's Fiscal Year 2021 Budget

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Thank you, Chairman Alexander, Ranking Member Feinstein, and members of the Subcommittee, for the opportunity to discuss with you the President's Fiscal Year 2021 budget for the Department of the Interior's Bureau of Reclamation and Central Utah Project Completion Act, or CUPCA, office. I am Tim Petty, Interior's Assistant Secretary for Water and Science, and I appreciate your ongoing support of our programs.

The Department of the Interior touches hundreds of millions of people, and plays an active role in western communities and the national economy. That could not be more evident than when looking at the contributions of the Bureau of Reclamation and CUPCA to our Nation. The Department's 2021 budget focuses on delivering Interior's direct mission activities, while supporting the Administration's economic goals to manage Federal spending. This reflects our commitment to strike the right balance for responsibly managing our natural resources, in a manner that provides proper conservation stewardship of our lands and resources, enhances the safety of our communities, strengthens our energy security, and allows our Nation to prosper.

The 2021 budget request for Interior is \$12.8 billion in current funding, with access to an additional \$310 million if there is another severe wildfire season. This request enables Interior to meet our diverse core missions and continue the progress we are making in advancing the Administration's priorities in supporting economic growth and prosperity. A key element to this economic growth has been the Administration's commitment to reduce red tape and the regulatory burden on Americans. Interior continues to reform its operations, processes and regulations, and the 2021 budget makes investments that support the economic benefits produced from Interior's lands and waters. According to the Department's 2018 Economic Report, Interior's lands and waters support more than 1.8 million jobs in energy, recreation, grazing, conservation, hospitality, and more.

Through his Executive Orders, President Trump directed Federal agencies to reform regulations that are ineffective, duplicative, and obsolete, and to execute strategies to modernize and reform the executive branch to better serve the American people. For example, Interior has established parameters for streamlining environmental review and permitting processes to reduce delays in Federal infrastructure projects and other public and private sector uses of Interior lands.

For decades, uncoordinated regulatory actions diminished the ability of Federal, State and local agencies to efficiently deliver water and power to the West in a cost-effective manner. On October 19, 2018, President Trump signed the "Presidential Memorandum on Promoting the

Reliable Supply and Delivery of Water in the West”, which directs the Secretary of the Interior and multiple other agency Secretaries to “work together to minimize unnecessary regulatory burdens and foster more efficient decision-making so that water projects are better able to meet the demands of their authorized purposes.” For example, to address water infrastructure challenges in the western U.S., it instructs the Secretaries of the Interior and Commerce to streamline western water infrastructure regulatory processes and remove unnecessary burdens. In response, Interior and Commerce signed an Agreement to promote the directives established in the Presidential Memorandum, designating one lead official to coordinate the agencies’ regulatory compliance requirements to efficiently, effectively, and accountably accomplish these priorities. For example, in California’s Central Valley, Interior and Commerce working together resulted in the recent release of biological opinions and a Record of Decision that modernize water operations. Interior is similarly working with the U.S. Army Corps of Engineers and Department of Energy to coordinate regulatory actions and drive more efficient decision-making through clear leadership, teamwork, and integrated and coordinated reviews in the Columbia River basin pursuant to the significant specific direction provided by the President’s Memorandum. These significant efforts just succeeded in the release of the draft Columbia River System Operations environmental impact statement by the U.S. Army Corps of Engineers, Bureau of Reclamation and Bonneville Power Administration.

Our Nation’s water resources challenges will only be addressed through such collaborative efforts. I continue to engage with my counterparts from Federal agencies with water-related responsibilities on a routine basis. Our cross-agency efforts increase coordination, focus resources, and reduce duplication across Federal government. We recognize that working collaboratively we can better support work that is underway to address water challenges in areas including drought, water quality, water reuse, and weather forecasting, among others. These efforts, along with the President’s Memorandum, will help to ensure Reclamation’s funding is more effectively leveraged with related programs across the Federal government.

2021 Budget Priorities

Interior’s 2021 budget emphasizes the crucial contributions the Department’s diverse missions make to the Nation’s economy. According to Interior’s latest economic report, Interior supports \$315 billion in estimated economic benefit and the Bureau of Reclamation’s activities, including recreation, support over \$63 billion in economic activity and over 450,000 jobs each year.

As the largest wholesaler of water and the second largest producer of hydroelectric power in the Nation, Reclamation’s projects and programs ensure millions of customers receive the water and power essential to support daily life and healthy economies in Western communities. The 2021 budget request of \$1.1 billion supports Reclamation’s work to improve water supply reliability and availability to more than 31 million people in the West. It invests in efforts to improve hydropower generation efficiency and reliability. To ensure that millions of customers continue to receive essential water supplies and hydroelectric power, the 2021 budget includes \$979 million for Reclamation’s Water and Related Resource programs. Many Reclamation projects provide multi-purpose water resource development benefits, including recreation. Reclamation’s recreation areas represent some of the most popular areas for water-based outdoor recreation activities in the Nation.

The Central Utah Project annually provides 62,000 acre-feet of water for irrigation of over 30,000 acres and over 100,000 acre-feet for municipal and industrial purposes, supplying water to nearly 400,000 people. This water will help address the water demands of the growing population in the Wasatch Front, one of the fastest growing areas in the Nation.

Meeting Western Water Needs

Ensuring the availability of water to communities, farmers and ranchers, residents and natural landscapes across the West is a central component of Interior's stewardship mission. The 2021 budget supports Interior's work to address America's water reliability, availability, and modernize existing water infrastructure. Improving reliability must include addressing water conflicts as well as making technological improvements that increase the capability of our water managers.

As the largest wholesaler of water in the country, Reclamation has a leading role – in coordination with other Federal agencies, State officials, local water users, and interested stakeholders – in developing strategies to help ensure safe and reliable water supplies for future generations. To help address the many challenges faced by water managers, Reclamation is moving forward with projects authorized by the Water Infrastructure Improvements for the Nation Act (WIIN Act), and also continues the implementation of the WaterSMART Program. The funding proposed in Reclamation's 2021 WaterSMART budget supports collaboration with other Federal agencies and our non-Federal partners in efforts to address emerging water demands and water shortage issues in the West, to promote water conservation and improved water management, and to support local innovation efforts to stretch water supplies.

The WaterSMART funding request for Reclamation in 2021 is \$18.2 million. This investment includes \$7.9 million to continue WaterSMART conservation grants, and \$3.0 million for Title XVI water recycling and reuse research grants and is highly leveraged through partner cost-share funding. It also includes \$2.0 million to continue Reclamation's collaborative efforts with non-Federal partners to evaluate water supply and demands in water basins and develop strategies to meet current and future water demands through Basin Studies.

Investment in Interior's infrastructure is crucial to local economies and public safety. Reclamation's state of the art Dam Safety Program continues to be one of the Department's highest priorities, utilizing the latest information and technology to evaluate and address pressing safety risks in order to ensure reliability and protect the downstream public. The 2021 budget request includes \$107.1 million for Reclamation's Dam Safety Program. Reclamation's budget also includes funding for specific Extraordinary Maintenance activities that are central to ensuring the delivery of water and power, and public safety. Through constant monitoring and assessment, Reclamation strives to effectively and efficiently use its resources to ensure dam safety and to maintain operational capabilities. Reclamation's 2021 budget includes \$103.2 million for extraordinary maintenance, repairs, and replacements.

Facilitating Responsible Energy Resource Management

The Department has a significant role to play in securing America's energy needs. Through increasing access to public lands and alleviating unnecessary regulatory burdens while balancing conservation objectives, the Department is working to advance economic growth through responsible energy and mineral development on Federal lands and waters. Interior's energy programs help generate some of the Federal government's highest revenues, benefitting local communities as well as the U.S. Treasury.

Reclamation's 2021 request includes \$1.0 million to support hydropower development and research. These activities will support strategic investment in hydropower as an integral part of the Nation's energy strategy. Funding will provide for technological and operational innovation, deriving both additional value from existing Federal infrastructure as well ensuring its continued safe and reliable operation.

The 2021 budget also supports innovation by using prize competitions to target difficult scientific and technological problems related to infrastructure, water availability, and hydropower generation. Reclamation's budget includes \$1.3 million to incentivize such research through Reclamation Water and Power Technology Prize Competitions.

Expanding Recreation and Access on Public Lands

Interior's public lands and waters provide opportunities for all types of recreation, and increasing those opportunities for Americans of all abilities is a significant priority for the Department. Access to public lands and waters not only provides for personal enjoyment and tranquility for Americans, but also supports local economies and unique educational and interpretive opportunities. Interior's budget proposes to reauthorize the Federal Lands Recreation Enhancement Act, which expires on October 1, 2021.

Reclamation projects play a major role in meeting the increasing public demand for water-based outdoor recreation opportunities. Reclamation projects include approximately 7.8 million acres of land and water and over 240 recreation areas available to the public. This includes 12 designated National Recreation Areas that are managed by the National Park Service or U.S. Forest Service. Through non-Federal partnerships, Reclamation assists local communities in attracting recreation-related investments and involves local citizens in the decision-making process.

With increased use of Reclamation reservoirs for recreation comes the increased need for monitoring and early detection of invasive quagga and zebra mussels, and for outreach and education to prevent infestation. The 2021 Reclamation budget includes \$5.6 million for prevention, early detection and monitoring, containment and control at existing facilities, outreach and education, and research focused on these issues. This funding will support Reclamation's efforts to proactively stop the spread of invasive mussels in the West.

Upholding Commitments to Indian Country

The Department is responsible for fostering government-to-government relationships with Indian Tribes and Alaska Native Villages. The Department is committed to Tribal prosperity and

supports Indian self-determination, working with Tribes to support opportunities in economic development, education, and law enforcement to strengthen communities.

Interior's 2021 budget continues to support Federal responsibilities and tribal needs related to education, social services, infrastructure, and stewardship of land, water, and other natural resources. Interior's budget maintains a strong commitment to meet Tribal settlement agreements. Across Interior, the budget includes \$156 million for Indian Settlement commitments. This includes \$112.1 million in Reclamation and \$43.9 million in the Bureau of Indian Affairs.

Improving Government Services

Over the years, Interior's bureaus were established with their own unique regional organizations, which ultimately resulted in a complicated series of 49 regional boundaries among eight bureaus. In 2019, the Department successfully implemented the consolidation of Interior's 49 different regions into 12 new unified Interior regions. Interior is leveraging the unified regional structure to improve and streamline business operations, using shared services and best practices across the Department, focusing on human resources, information technology, and acquisition services. The 2021 budget implements the President's Management Agenda with continued investment in process improvement and efficiency, greater use of shared services, information technology security, and workplace reforms.

Central Utah Project

The Central Utah Project Completion Act (CUPCA), Titles II - VI of P.L. 102-575, provides for completion of Central Utah Project construction by the Central Utah Water Conservancy District. The Act also authorized 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 provided for the Ute Indian Rights Settlement.

The 2021 budget for the CUPCA program is \$10.0 million. Of this amount, \$3.6 million will be available for planning and construction activities administered by the Central Utah Water Conservancy District, continuing our partnership in the ongoing construction of the Utah Lake System facilities. The budget includes \$4.6 million for program oversight and administration, operations and maintenance in support of fish and wildlife conservation, and endangered species recovery. In addition, \$1.8 million will be transferred to the Utah Reclamation Mitigation and Conservation Account for use by the Utah Reclamation Mitigation and Conservation Commission. The 2021 budget also supports 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 2021 budget for the Department of the Interior's Bureau of Reclamation and Central Utah Project Completion Act

programs. I look forward to working with the Committee further on this budget. This concludes my testimony, and I am happy to answer any questions.