

February 2, 2010

The Honorable Jim Costa
United States House of Representatives
1314 Longworth House Office Building
Washington, D.C. 20515

The Honorable Grace Napolitano, Chairwoman
House Committee on Natural Resources
Subcommittee on Water and Power
United States House of Representatives
1522 Longworth House Office Building
Washington, DC 20515

The Honorable Nick J. Rahall II, Chairman
Committee on Natural Resources
United States House of Representatives
1324 Longworth House Office Building
Washington, DC 20515

Hon. Doc Hastings, Ranking Member
House Committee on Natural Resources
United States House of Representatives
1324 Longworth House Office Building
Washington, DC 20515

SUBJECT: Comments on HR. 4225

Dear Representative Costa, Chairmen and Ranking members,

We have reviewed this bill, which would give the administration broad discretion in providing stimulus funds to pay the state share of ARRA Drought Response efforts.

We would like to thank Representative Costa and the Obama administration for efforts to aid farmers in the San Joaquin Valley who have suffered from recent dry-year related cutbacks in water delivery. However, we have concerns that this plan is being implemented in a way that will drain the US Treasury in future years by perpetuating maladaptive cropping patterns in the Central Valley, and dependence on disaster intervention.

A key concern is that the USDA efforts to aid farmers impacted by the drought are being done in a way that perpetuates drought vulnerability.

A primary example is the proposed Tree Assistance Program (TAP), which would subsidize the replanting of almonds and other orchard crops that were fallowed during the drought. While almonds provide about four times the per acre profit that cotton does, they also take twice as much water per acre as cotton and cannot be fallowed in a drought. We have concerns that farmers in Westlands Water District, the biggest South of Delta agricultural contractor, continued to plant both almond and pistachio trees even when we entered the dry years of 2007 and 2008. Almond plantings went up from 55,000 acres in 2006 to 66,000 in 2007, and 70,000 in 2008. Then in 2009, 3,000 acres of trees had no water supply and had to be cut down.

This was not unforeseeable, particularly by 2008. Drought year deliveries to South of Delta agricultural contractors have always been problematical, and we believe that it is essential that USDA work with the farmers to develop business plans based on appropriate crop choices and acquisition of options for water transfers for permanent crops that they choose to plant.

We also have concerns that the disaster assistance propagates the same pattern that we saw in the recent bank bailouts – payments to owners of large agribusiness companies, which may or may not translate into an increased number of jobs for displaced farm and construction workers in the Valley. We believe that appropriately targeted job stimulus programs are essential for relieving unemployment in the Valley and pressure on the Delta.

Other concerns are highlighted in the attached comments on the Obama administration Interim drought assistance program. We understand that the San Joaquin Valley parts of this program were worked out with the agricultural interests in the Valley, which explains its emphasis on payments to large business owners, water transfers, and putting concrete in the ground to channel more water, rather than on adapting crop choices to an increasingly unstable climate.

Climate change projections suggest that the Southern San Joaquin Valley is going to get increasingly hot and dry, reaching an average daily peak summer temperature in the mid-100s by 2035, and in the upper 100s to low 110s by 2070. Scientists are also projecting increasing numbers of heat waves and prolonged droughts. We believe that adapting both agricultural patterns and urban development to climate change projections is essential for not only the Delta, but also the increasingly strapped US Treasury.

We are particularly concerned that this bill overturns a quarter century or more of bipartisan federal and state law that requires the beneficiaries of water and power projects to repay a share of the costs of the projects or bear the major upfront burden of facility construction costs. The economic principles here are obvious; if there are no costs to the beneficiaries of projects to dam and channelize California's rivers or overdraft groundwater aquifers, the demand for these projects becomes infinite.

If one looks at the increases in energy costs to ship water south of the Delta, it also becomes clear that the grand goals of the Central Valley Project and State Water Project were based on increasingly outdated assumptions about energy use.

We would like to respectfully suggest that the Subcommittee on Water and Power and the full Committee on Natural Resources amend this bill to instead request authorization for specific projects, so that the Committee can retain oversight of administration efforts, and ensure that plans are consistent with adaptation to climate change and future energy scenarios, and that beneficiaries bear their share of project costs.

Sincerely,

Cc: The Honorable Ken Salazar, Secretary of the Interior
The Honorable David Hayes, Deputy Secretary of the Interior
The Honorable Tom Vilsack, Secretary of Agriculture
Subcommittee members