

**STATEMENT OF DAVE WHITE, CHIEF
NATURAL RESOURCES CONSERVATION SERVICE
U.S. DEPARTMENT OF AGRICULTURE
BEFORE THE
U.S. HOUSE OF REPRESENTATIVES
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
February 10, 2010**

Mr. Chairman, thank you for the opportunity to provide a progress report on the status of the American Recovery and Reinvestment Act of 2009 (Recovery Act) funding administered by USDA's Natural Resources Conservation Service (NRCS). USDA's goal through the Recovery Act is to quickly respond to current economic conditions by preserving and creating high quality jobs, spurring rural economic activity, and contributing to the Nation's overall financial health. USDA will be open, transparent, responsive, and accountable to the American people as we deliver Recovery Act funding.

The Recovery Act provided funding for three NRCS programs:

Watershed Rehabilitation Program	\$ 50,000,000
Watershed and Flood Prevention Operations Program	\$145,000,000
Floodplain Easements - Emergency Watershed Protection Program	\$145,000,000

We have made significant strides toward committing funds for these programs and toward the Administration's objectives of economic recovery and job creation. Projects have already been selected for the Watershed and Flood Prevention Operations Program, the Watershed Rehabilitation Program and the Floodplain Easements Program. We have broken ground to begin work on many of these projects.

The NRCS programs funded through the Recovery Act will provide significant public and environmental benefits through the restoration of floodplains and investments in watershed improvements, including critical infrastructure. These benefits include reduced threats and damage from flooding; floodplains restored to natural conditions; erosion control; improved water quality; enhanced fish and wildlife habitat; and improved quality of life through expanded recreational opportunities and added community green space. Moreover, watershed rehabilitation projects will mitigate the risks of failure and threats to public safety posed by aging flood control infrastructure.

Following is a brief overview of the three NRCS programs that received Recovery Act funding.

Watershed Rehabilitation Program

Recovery Act Funding: \$50,000,000

The objective of the Watershed Rehabilitation Program is to rehabilitate or decommission aging or unsafe dams owned and operated by sponsors that are ready and willing to begin

rehabilitation. The authority for rehabilitation of aging watershed dams is included in section 14 of the Watershed Protection and Flood Prevention Act (P.L. 83-566). Any of the over 11,000 dams in 47 States that were constructed under the Flood Control Act of 1944 (P.L.78-534), P.L.83-566, or the Resource Conservation and Development (RC&D) program are eligible for assistance under this authority. Many of these dams are beyond or are nearing the end of their design life. Rehabilitation of these dams is needed to address critical public health and safety issues in these communities. Priority for funding projects was based on a ranking system that considered the condition of the dam and the number of people at risk, if the dam should fail. NRCS may provide financial assistance up to 65 percent of the total rehabilitation project cost.

Twenty-six projects in 11 States have been selected for Recovery Act funding. NRCS State offices are working to obligate these funds as quickly as possible. These “shovel ready” projects will help revitalize rural economies by creating jobs and supporting local businesses that supply products and services needed for construction. These projects will not only ensure that the flood control dams remain safe and protect lives, but will also continue to provide flood control, recreation, and wildlife habitat for decades to come. Here are two examples of Watershed Rehabilitation Recovery Act projects:

1. \$344,200 in Recovery Act funding for Little Choconut Creek Watershed in Broome County, New York will result in the rehabilitation of a flood control structure. The dam will be upgraded to current safety standards and continue to provide protection for 1,600 residents, several hundred homes, and 30 businesses from flooding. This is one of 59 dams constructed by NRCS in New York. These dams continue to provide millions of dollars in flood damage reduction benefits while providing millions of dollars in economic benefits for local communities and the State.
2. Over \$4.0 million in Recovery Act funding for New Creek Dam in Grant County will protect the water supply of the City of Keyser, West Virginia. The watershed is situated in the headwater region of the Potomac River Basin. Rehabilitation of this dam will assure continued protection of houses, businesses, utilities, and roads and other infrastructure, as well as provide wildlife and fish habitat. It also will extend the dam’s lifespan by another 50 years, maintain the current 100-year floodplain, and address resource concerns identified by the public.

Watershed and Flood Prevention Operations Program (WFPO)

Recovery Act Funding: \$145,000,000

This program provides assistance to sponsoring organizations of authorized watershed projects, planned and approved under the authority of the P.L. 83-566 and designated watersheds authorized by P.L. 78-534. NRCS provides technical and financial assistance to States, local governments and Tribes (as project sponsors) to implement authorized watershed project plans for the purpose of watershed protection; flood mitigation; water quality improvements; soil erosion reduction; rural, municipal and industrial water

supply; irrigation water management; sediment control; fish and wildlife enhancement; and wetlands and wetland function creation, restoration and protection.

Recovery Act funds will be obligated on WFPO projects for completion of permit mitigation obligations or structural repairs, or for land treatment through the application of conservation practices. Recovery Act funds will also be used for new construction projects that are already authorized, are environmentally beneficial, and have sponsors that are ready and willing to begin work.

Priority for funding projects was based on NRCS's merit-based model which was used to identify and select the most cost-effective and highest priority projects to meet the objectives of the program.

USDA Secretary Tom Vilsack announced the selection of 80 projects under the Recovery Act. Here are a few examples of WFPO projects selected for funding through the Recovery Act:

1. \$134,000 for the Upper Pettit Jean structural repair project in Logan County, Arkansas. This project uses a chemical grout to seal and bond stress cracks between the principal spillway inlet structure and the outlet pipe. This project provides a water supply for 4,500 people in the City of Booneville and vicinity. The 310-acre reservoir provides flood control, and benefits of this project include public health and safety improvements. The project is scheduled to be completed by June 2010.
2. \$369,000 for the Trinity River-Big Sandy Creek Watershed near Dallas and Fort Worth, Texas. This project protects two municipal water supply reservoirs, serving more than one million people, by preventing significant amounts of sediment from depositing into streams. Funding for this project will fulfill a permit requirement to compensate for and minimize impacts from the dam on the stream and wildlife habitat. Twenty seven acres of riparian habitat around the reservoir pool will be preserved, and 9 credits will be purchased in the Trinity River Mitigation Bank.
3. Over \$1.2 million for the Lyons Creek Watershed project in Morris County, Kansas will provide flood protection from massive damage that is caused by heavy rains to agricultural land, roads, and rural communities. Fifteen miles of stream corridor, with a floodplain that encompasses 45 farms and ranches and approximately 2,700 acres of agricultural lands, will benefit directly from improved flood protection. County roads and bridges used by residents will also be protected from flood damage.

Floodplain Easements - Emergency Watershed Protection Program (FPE-EWPP)

Recovery Act Funding: \$145,000,000

Section 382 of the Federal Agriculture Improvement and Reform Act of 1996, P.L.104-127, amended the Emergency Watershed Protection Program (EWPP) to provide for the purchase of floodplain easements as an emergency measure. Since 1996, NRCS has purchased floodplain easements on lands that qualify for EWPP assistance. NRCS purchases easements on floodplain lands and restores them to natural conditions. Floodplain easements restore, protect, maintain, and enhance the functions of a floodplain; conserve natural values including fish and wildlife habitat, water quality, flood water retention, ground water recharge, and open space; reduce long-term federal disaster assistance; and safeguard lives and property from floods, drought, and the products of erosion.

Floodplains that have had flooding events twice in the last 10 years or once in the last 12 months are eligible for the program. Easement applications are ranked based on established National and State priorities. Landowners retain several rights to the property, including quiet enjoyment, the right to control public access, and the right to undeveloped recreational use such as hunting and fishing. NRCS currently holds over 1,900 floodplain easements on approximately 126,500 acres nationwide.

NRCS announced a nationwide sign-up for Floodplain Easements Recovery Act funding on March 9, 2009. The deadline was extended until April 10th, due to flooding. North Dakota and Minnesota deadlines were extended until May 1st to allow additional time because of on-going flooding events.

Over 4,200 applications for floodplain easements were received from forty-seven States and Territories. States ranked their applications and then sent their ranking lists to National Headquarters. Projects were selected using a priority ranking system that considered economic and environmental impacts, resulting in 238 easement acquisition and restoration efforts.

As of January 15th, 2010, NRCS has closed on 24 easements with payments made to 33 persons and 220 vendors (for real estate title and closing, land survey, and other due diligence) totaling \$12,529,900. As easements close, restoration efforts commence, and we anticipate expenditures of nearly \$19 million over the next 12 months. NRCS intends to work with landowners to complete restoration on all easements by December 30, 2010.

Transparency and Accountability

Accountability and transparency are cornerstones of NRCS's Recovery Act efforts. NRCS has automated systems which will track the amount of financial and technical assistance allocated for approved projects and progress toward project implementation

and outcomes. Recovery Act goals and objectives will be integrated into the performance standards for NRCS line officers.

In addition, the Office of Inspector General has already initiated an audit for oversight of NRCS Recovery Act activities. The objectives of the audit are to ensure:

1. The Department's stimulus-related programs are timely and effectively implemented.
2. Proper internal control procedures are established.
3. Program participants meet eligibility guidelines.
4. Participants properly comply with program requirements; and
5. Agencies establish effective compliance operations.

NRCS has already made great strides in communicating the results of our Recovery Act activities to the general public. USDA Secretary Vilsack held telephone press conferences with approximately forty journalists on two separate occasions to announce the funding for Watershed Rehabilitation and WFPO. NRCS employees have cooperated with members of Congress on Recovery Act events in their States and districts. Project-specific fact sheets for each NRCS Recovery Act project are posted to our website at www.nrcs.usda.gov/recovery.

Summary

NRCS has moved quickly to identify meritorious and environmentally beneficial projects to commit the \$340 million in Recovery Act funding provided for Watershed Rehabilitation, WFPO, and Floodplain Easements. NRCS has obligated over \$166 million as of January 15, 2010. NRCS understands that Congress and the public will hold the Federal government to the highest standard of accountability for Recovery Act funding. We are committed to expending these dollars in the most expeditious, transparent, and cost-conscious way possible.