

TESTIMONY OF ANITA WINKLER, EXECUTIVE DIRECTOR
OREGON WATER RESOURCES CONGRESS

Submitted to the United States House of Representatives Committee on Appropriations
Subcommittee on Interior and Related Agencies
April 1, 2011

RE: FY 2012 Budget for the U.S. Environmental Protection Agency's Clean Water State Revolving Fund Loan Program (CWSRF)

The Oregon Water Resources Congress (OWRC) was established in 1912 as a trade association to support member needs to protect water rights and encourage conservation and water management statewide. OWRC represents non-potable agricultural water suppliers in Oregon, primarily irrigation districts, as well as water control districts, and other special districts and local governments that deliver irrigation water. The association represents the entities that operate water management systems, including water supply reservoirs, canals, pipelines, and hydropower production.

OWRC is concerned about reductions to the US Environmental Protection Agency's Clean Water State Revolving Fund Loan Program (CWSRF) and is requesting that appropriations for this program be increased to \$5 billion in FY 2012. The CWSRF is an efficient program that addresses critical water infrastructure needs while benefitting the environment, local communities, and the economy.

We are disappointed that the Administration's request of \$1.55 billion for the CWSRF program is a reduction from enacted 2010 funding, and is still far short of what is needed to address critical water infrastructure needs in Oregon and across the nation. This funding may lead to six-hundred clean water projects nationally, but that is an average of only twelve per state, far less than what's been funded in the past and well short of what is needed. The Oregon Department of Environmental Quality's (DEQ) recent "Proposed Intended Use Plan Update #2 - State Fiscal Year 2011," reflects a total of \$23,462,936 in funding requests from five agricultural water suppliers alone.

Six OWRC member districts have successfully received loans from the CSWRF over the last several years and many more will apply if funds are available. Numerous irrigation districts and other water suppliers need to pipe currently open canals, thereby improving water quality by eliminating run-off into the canals and increasing water availability for fish and irrigators by eliminating water loss from the canal system. These projects not only benefit the environment and the patrons served by the water delivery system, but also benefit the economy.

Four irrigation districts received over \$11 million funding in Oregon from the 2009 ARRA funding through the CWSRF for projects which created valuable jobs while improving water quality. These four projects were essential to DEQ not only meeting but exceeding the minimum requirement that 20% of the total ARRA funding for the

CWSRF be used for “green” projects. Those districts’ applications had been on DEQ’s list of eligible projects for many years and would probably still be on that list had the ARRA funding not been made available. We provide that comment not to complain, but to emphasize the need for additional funding for this program.

We acknowledge the Administration’s desire to develop and implement “green infrastructure.” In fact, as mentioned above, irrigation districts and other water suppliers in Oregon are on the forefront of “green infrastructure” through innovative piping projects that provide multiple environmental benefits. However, EPA’s proposal to provide an average of 5% of water infrastructure spending in future budget years does not change the need for increased funding today or provide certainty about the specific amount of funding in future years. CWSRF is often an integral part of an overall package of state, federal and local funding that necessitates a stronger level of assurance that loan funds will be available for planned water infrastructure projects. Reductions in the CWSRF could lead to loss of grant funding and delay or derail beneficial projects that irrigation districts have been developing for years.

We appreciate the Administration’s efforts to improve both the way federal dollars are spent and program efficiency. However, the CWSRF has been an extremely valuable tool in Oregon for improving water quality and efficiently addressing infrastructure challenges that are otherwise cost-prohibitive. While our comments are focused on the need for additional funding of the CWSRF to meet our members’ needs, it is our understanding that the list of eligible projects for and needing this funding grows annually and exceeds the Oregon DEQ’s funding capacity. The latest Intended Use Plan lists 140 projects for a total of \$480,500,455. Additional information about the irrigation district projects and other projects funded in Oregon through the CWSRF can be found at: www.deq.state.or.us/wq/loans/docs/IUP2011Update2.pdf

We recognize that our country is facing difficult economic times and that we must make strategic investments with scarce resources. Oregon is facing record levels of unemployment and the CWSRF helps provide much needed construction and professional services jobs. The CWSRF is a perfect example of the type of program that should have funding increased because it creates jobs while benefitting the environment, and is an efficient return on taxpayer investment. It’s not a hand-out but a wise investment that allows local communities to leverage their limited resources and address critical infrastructure needs that would otherwise be unmet.

We respectfully request the appropriation of at least \$5 billion for the U.S Environment Protection Agency’s Clean Water State Revolving Loan Fund for FY 2012.

Sincerely,



Anita Winkler
Executive Director