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**Testimony of Dan Keppen
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The Family Farm Alliance**

**Submitted to the U.S. House of Representatives
Committee on Natural Resources
Water and Power Subcommittee**

**Hearing on
H.R. 6992
September 25, 2008**

Chairwoman Napolitano, Ranking Member McMorris-Rodgers, and Subcommittee Members:

Thank you for this opportunity to submit testimony on behalf of the Family Farm Alliance (Alliance). My name is Dan Keppen, and I serve as the executive director for the Alliance, which advocates for family farmers, ranchers, irrigation districts, and allied industries in seventeen Western states. The Alliance is focused on one mission - To ensure the availability of reliable, affordable irrigation water supplies to Western farmers and ranchers. Our members include irrigation districts and water agencies that are responsible for the operation and maintenance of some of the Bureau of Reclamation's largest and most complex facilities. Several of our members have worked with the federal government over the past 10 years to transfer all or parts of Reclamation projects to local entities.

The Family Farm Alliance supports the "Reclamation Title Transfer Act of 2008" (H.R. 6992), which would authorize the Secretary of the Interior to establish a program to facilitate transferring to non-Federal ownership title to mostly small-scale, single-purpose Bureau of Reclamation (Reclamation) projects and facilities.

Overview of Family Farm Alliance Philosophy

The members of the Family Farm Alliance believe that streamlined federal regulation and decision-making are the keys to sound Western water policy. Wherever possible, meaningful delegation of decision-making authority and responsibility should be transferred to the local level.

This is not because the Alliance believes in deregulation. To the contrary, the Alliance understands that regulation of water supplies and water projects is both necessary and beneficial. However, the Alliance believes that in the water arena, a “one size fits all approach” dictated from Washington is counterproductive and ineffective. Federal laws and regulations should be drawn to recognize that facts and circumstances can vary significantly from region to region.

Regulatory Challenges Associated with Title Transfers

The Alliance believes title transfers are a positive means of strengthening control of water resources at the local level. In addition, they help reduce federal costs and allow for a better allocation of federal resources.

Over the past 10 years, the Alliance has worked closely with Reclamation on both individual title transfers and on title transfer policy. Since 1996, more than two dozen Reclamation projects have been transferred or authorized to be transferred to local entities. Those local agencies are usually the irrigation or water district that has fulfilled its obligation to pay for construction of the project.

We have found that other irrigation districts are interested in acquiring title to Reclamation facilities. Experience throughout the West demonstrates that when control of projects is assumed by local interests, the projects are run more cost effectively and with far fewer items of deferred maintenance.

In addition, some local districts want to acquire title to their own water distribution works, to which the federal government holds title because federal funds – long since repaid - were used to help build them.

Despite the benefits, local water agencies are discouraged from pursuing title transfers because the process is expensive and slow. Environmental impact analyses can be time-consuming, even for uncomplicated projects that will continue to be operated in the same manner as they always have been. Moreover, every title transfer requires an act of Congress to accomplish, regardless of whether the project covers 10 acres or 10,000 acres.

“Managing for Excellence” Approach to Title Transfers

The challenge associated with title transfers was identified as a major concern when our membership engaged in the “Managing for Excellence” (M4E) process with the Reclamation. As you know, M4E is Reclamation’s response to *Managing Construction and Infrastructure in the 21st Century Bureau of Reclamation*, a comprehensive report completed in 2006 by the National Research Council (NRC) of the National Academy of Sciences. Executing the action plan has been primary initiative for Reclamation. Alliance engagement in M4E and the related NRC study has been a priority with the Alliance since early 2005.

We believe that H.R. 6992 properly captures the flavor contained in a considerable body of title transfer work already completed by the Bureau of Reclamation and water and power customers.

Through the M4E process, Reclamation developed a legislative concept for a programmatic approach intended to simplify transfer of “non-complicated” facilities. The idea was to create a set of criteria to identify “non-complicated” projects whose transfer to local ownership would not impact the environment or taxpayers. Facilities meeting the criteria could be transferred out of federal ownership by the Secretary of the Interior under a new standing authority granted by Congress. The Reclamation approach envisioned the use of existing procedures under the National Environmental Policy Act (NEPA) to streamline environmental reviews for proposed title transfers meeting the programmatic criteria.

Title transfers for larger, more complicated projects that did not meet the criteria would still require individual acts of Congress.

In essence, Reclamation’s approach would allow Congress to delegate to the Secretary of Interior the authority to transfer the ownership of single-purpose, non-complicated projects. This would greatly reduce the hurdles and expense that can impede transfers beneficial to local interests and to the federal government.

The Family Farm Alliance Supports H.R. 6992

The Family Farm Alliance believes H.R. 6992 captures well the philosophy embedded in Reclamation’s M4E approach to facilitate title transfers. H.R. 6992 establishes an effective mechanism to identify and analyze the potential for public benefits from the transfer out of federal ownership of eligible facilities. We also believe it will facilitate the transfer of those eligible facilities to promote more efficient management of water and water-related facilities at the local level.

On behalf of the Family Farm Alliance, I would like to thank Rep. McMorris-Rodgers and subcommittee staff for developing and introducing this important bill.

Thank you for this opportunity to present our views today.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Keppen". The signature is fluid and cursive, with a large initial "D" and a long, sweeping underline.

Dan Keppen
Executive Director