

**Testimony of Assemblywoman Anna Caballero
Before House Subcommittee on Water & Power
January 25, 2010**

Madame Chair Napolitano, my name is Anna Caballero and I represent the 28th District in the California State Assembly. Thank you for convening this hearing here in California on our water supply challenges. We appreciate your drawing the attention of the Congress to some of the difficulties we have experienced – and continue to confront – on ensuring reliable water supplies for our state's agricultural, urban and environmental needs.

While we benefited from a good amount of rain all over California last week, our water challenges remain. This year's State Water Project initial water delivery allocation was 5% of contract entitlements – the lowest in history. Last week's rain and snow helped, but we will need a substantial amount more than average to refill our water storage reservoirs. The Sacramento-San Joaquin Delta remains in crisis, for both its ecosystem and water exports. The recent drought has led to depletion of our groundwater reserves. We have many challenges ahead and, hopefully, with the State and the Federal Government working together, we will take advantage of the opportunities that arise.

Last year, the Legislature stepped up to address some of the critical water challenges California faces. We took important first steps on several issues, but they are only the first. We need all agencies, stakeholders and communities to step forward to make some difficult decisions in the years ahead. The Legislature has set some new directions, a path forward, but we need all critical players to move forward on that path.

The Federal Government is one of the most important players in California water. It holds the largest block of water rights in California – about 7 million acre-feet. It has broad authority – and responsibility – to address water and aquatic ecosystem problems, particularly in the Delta. While the Congress has shown a "consistent thread of purposeful and continued deference to state water law," the Federal Government has a long history of leadership in California water issues. We need the Congress and the Obama Administration to step forward to contribute to resolving some of our most pressing water issues.

In last year's Delta/Water Legislation, we invited the Federal Government to participate and offered contributions to facilitate that participation. The best way to start the discussion of how we might work together is a summary of the legislative package:

- **SB 1 (Simitian)/Delta Legislation:** Reforms state policies, programs and governance for the Sacramento-San Joaquin Delta (Delta), and establishes guidelines for developing a new Delta Plan. Appropriates \$28 million for the federal "Two Gates" project in the Delta.
- **SB 2 (Cogdill)/Water Bond:** Authorizes an \$11.14 billion water infrastructure bond for the November 2010 ballot. Funding categories include drought relief, the Delta, water storage, integrated regional water management, watershed conservation, groundwater quality, and water recycling.
- **SB 6 (Steinberg)/Groundwater Monitoring:** Creates a statewide groundwater elevation monitoring system, relying on local agencies in all basins to report the depth to groundwater.
- **SB 7 (Steinberg)/Water Conservation:** Establishes a statewide water conservation program, in a new "Sustainable Water Use and Demand Reduction" part in the Water Code (Part) and

reauthorizes the Agricultural Water Management Planning Act. Sets an urban water conservation target of 20% reduction in per capita water use by 2020, allowing flexibility for local agencies to determine how best to accomplish that reduction.

- **SB 8 (Steinberg)/Water Reporting & Appropriations:** Deletes water diversion reporting exemptions for diverters in the Delta. Appropriates funding from bonds and a special fund for increased State Water Resources Control Board enforcement staff and other Delta/water projects.

As a package, these bills address several of California's water challenges, but I wish to draw your attention, in a bit more detail, to the Delta bill – Senate Bill 1 by Senator Joe Simitian. The Delta is where we need the Congress and the Federal Government to engage the most. The operation of the federal Central Valley Project translates into several federal agencies taking action in the Delta – the Bureau of Reclamation, the Fish and Wildlife Service and the National Oceanic and Atmospheric Administration – and federal courts intervening in those activities.

We structured the Delta bill to invite the Federal Government to engage with us in setting a new direction for Delta policy. In enacting this legislation, we exercised the State's authority over the control, appropriation, use, and distribution of water generally. In structuring the development of a new Delta Plan, we required state agencies to take actions that would engage the Federal Government, including requiring:

- Delta Stewardship Council to consult with federal agencies in developing the Plan.
- Development of the Delta Plan consistent with federal laws, including the Coastal Zone Management Act, the Clean Water Act and the Reclamation Act of 1902.

- Delta Stewardship Council to submit the Delta Plan to federal agencies for approval, if the Delta Plan is adopted pursuant to the federal Coastal Zone Management Act.

This last requirement, in particular, invites the Congress to engage in thinking about a new federal law to improve federal and state agency cooperation in the Delta. Section 85300(d) of the California Water Code allows submission of the Delta Plan to any federal official assigned responsibility for the Delta pursuant to a new federal statute, anticipating that Congress may enact a new law in response to the State's new statutory framework for the Delta.

Let me be clear: We invite you to work with us in the Legislature in crafting a new legal relationship between the state and federal governments in the Delta. Our legislation sets a new course, but requires many decisions in the years ahead. It establishes a framework for structuring the federal-state relationship, but only Congress can enact laws to require federal agencies to work with us and follow our State's leadership. We hope to have the opportunity to work closely with you on the challenges we all face in the Delta

We need to craft an enduring relationship that ensures federal engagement regardless of who sits in the White House. For eight long years, the Bush Administration ignored its responsibilities in the Delta. When Secretary Salazar showed up for a Delta helicopter tour last year, we were delighted to welcome him to one of our greatest water debates – the first time a Secretary of the Interior had visited the Delta since Secretary Bruce Babbitt visited several times in 2000, during development of the CALFED Bay-Delta Program. Bureau of Reclamation Commissioner Mike Connor also has visited our state on several occasions. We need to find a way to institutionalize that level of federal engagement in protecting the Delta to achieve the co-

equal goals of "providing a more reliable water supply for California and protecting, restoring, and enhancing the Delta ecosystem."

Our two legislative bodies working together to fashion that enduring relationship between our governments offers the best opportunity for our State of California to overcome the challenges it faces in water policy.

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