

Committee on Resources

Witness Testimony

Opening Statement of
The Honorable John T. Doolittle, Chairman
Subcommittee on Water and Power Resources
Committee on Resources
March 7, 1995

The purpose of this afternoon's budget hearing is to receive testimony from Administration witnesses on key portions of the President's proposed budget.

We have invited the Honorable Bruce Babbitt, Secretary of the Interior, and the Honorable Hazel O'Leary, Secretary of Energy, or their respective designees, to testify. Daniel P. Beard, Commissioner of Reclamation of the Department of the Interior, and William H. White, Deputy Secretary of the Department of Energy, will appear to address the Bureau of Reclamation and Power Marketing Administration (PMA) programs in the President's proposed FY 96 budget. There will be no public witnesses for this hearing, and it should be brief. It will provide an opportunity to review the President's proposed budget and provide orientation for our Committee members.

The budget is the primary focus of this hearing. I urge my colleagues to limit their questions to budget issues rather than operations. Member questions will be limited to 5 minutes. We are scheduling another subcommittee hearing later this month to allow members an opportunity to deal with the more specific operational issues. Consequently, I am asking our staff to meet with each of you to develop questions which the Administration can answer at that time. The Agriculture Committee is also meeting today. Many of the Members of this Subcommittee also serve on that Committee. Consequently, I will recess our hearing for approximately 10 minutes when votes are scheduled in Agriculture.

Since this is the first hearing of this Subcommittee, I want to take a minute to identify some of the broader goals I see for this year. We have a very real need to continue to develop and improve the management of our natural resources. We must be prepared to anticipate the needs of our citizens. We cannot continue to handle our resources through crisis management.

One of the initiatives which I want to see undertaken is the development of Comprehensive Water Planning. To this end, I have asked our staff to collect information from federal, local, and private sources concerning historic weather patterns, future water demands, ways to improve the efficiency with which we use our water, and how we can implement realistic environmental mitigation tradeoffs on a watershed-wide basis. This information will be provided to the states for the development of their individual Plans.

As our Committee looks at specific projects and issues, we should also look at the environment from a broad prospective. Complaints are often raised concerning the development of western water projects, but the reality of the 1990's is that there are environmental consequences which flow from our failure to develop and manage our water resources.

Environmental mitigation can be found in new water storage and management facilities that provide fresh, high quality water for citizens and wildlife in times of drought; that provide a way to hold back flood waters which can indiscriminately spread hazardous wastes and untreated sewage; that provide water for recharging aquifers and holding back saltwater intrusion.

The President has placed the issue of privatizing the Power Marketing Administrations in his budget proposal. It is an issue which has been under active consideration since President Reagan was in office. I believe it is one that should be given serious consideration. However, even a cursory review reveals that there are significant issues to be addressed. They include the effects of such a sale on rate payers, a determination of which assets should be sold, and the

consequences of any transfer to downstream water users. We should also look into the potential benefits which are offered for the sale. Will there be long-term advantages to the Federal treasury? Can the facilities be managed more efficiently in private hands? Will it increase accountability?

In all, I am looking forward to an exciting and productive session.

Thank you.

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