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Transportation and Infrastructure**

Subcommittee Chairman Rouzer, Subcommittee Ranking Member Napolitano, and Members of the Subcommittee, thank you for the opportunity to provide testimony on U.S. Department of Agriculture Natural Resources Conservation Service (NRCS) watershed programs.

NRCS Background

The mission of USDA's NRCS is to deliver conservation solutions, so agriculture producers can protect natural resources and feed a growing world. NRCS provides programs and services that enable people to enhance their land stewardship activities to protect the viability of their agriculture operations and the nation's soil, water, and related natural resources on non-Federal lands. NRCS supports the rural economy by helping private landowners and producers, who make day-to-day decisions about natural resource use and management on non-Federal lands, implement conservation measures through technical and financial assistance. Technical assistance provided to farmers, ranchers, foresters, and other private landowners supplies the knowledge and tools they need to conserve, maintain, and restore natural resources on the lands they manage. Financial assistance partially offsets the cost to install conservation practices necessary to sustain and enhance natural resources and improve wildlife habitat. About 70 percent of the land in the United States is privately owned, making stewardship by private landowners and land managers critical to the health of our agricultural economy. In addition to working directly with private landowners, NRCS also works with tribal Nations, units of government, and other eligible sponsors (e.g., water authorities) to deliver technical and financial assistance.

Conservation Technical Assistance: The ability of NRCS to provide Conservation Technical Assistance (CTA) to farmers, ranchers, foresters, and landowners across the country is core to our mission. Through CTA, NRCS works with landowners and managers to develop conservation plans that outline the specific conservation activities needed to improve farm operations and enhance farm environmental sustainability. NRCS partners with third-party private sector entities

(known as Technical Service Providers, or TSPs) to collaborate and provide technical assistance for conservation planning and activities. Currently, there are 1,012 individuals and more than 115 businesses serving as certified TSPs that are available to help program participants apply conservation efforts through programs such as the Environmental Quality Incentives Program (EQIP), the Conservation Stewardship Program (CSP), the Agricultural Conservation Easement Program (ACEP), the Agricultural Management Assistance Program (AMA), Conservation Reserve Program (CRP), CTA, and Watershed programs. The need for TSPs is growing and NRCS has taken steps to improve program efficiency through an improved certification process where certification takes 60 days or less; an improved certification system where administrative burdens are removed; simplifying the certification process; and adding staff resources to assist TSPs; and more.

Conservation Programs: NRCS administers a wide range of Farm Bill conservation programs, including EQIP, CSP, ACEP, and the Regional Conservation Partnership Program. These programs make it possible to implement the conservation plans that resulted from CTA work. Additionally, while the Conservation Reserve Program (CRP) is administered by USDA's Farm Service Agency, NRCS provides technical assistance, conservation planning, and support for conservation practice implementation and management. NRCS conservation programs are carried out through local field offices that provide direct assistance to individual farmers, ranchers, foresters, and other private landowners to restore and improve our shared natural resources. Key priorities about the implementation of these programs and practices are made at the local level with input from Local Working Groups and State Technical Committees to ensure local needs, which vary greatly across the country, are addressed through voluntary based NRCS programs.

NRCS Watershed Programs

Watershed and Flood Prevention Operations

Through the Watershed and Flood Prevention Operations (WFPO) account, NRCS cooperates with State and local agencies, tribal governments, and other Federal agencies to prevent damage caused by erosion, floodwater, and sediment to further the conservation, development, utilization, and disposal of water and advance the conservation and utilization of the land.

WFPO includes the Small Watershed Program, the Flood Prevention Operations Program, and may

include activities under the Watershed Rehabilitation Program. The vast majority of NRCS watershed projects have been built pursuant to the authority of the Small Watershed Program under which NRCS works with local government sponsors and helps participants solve natural resource and related economic problems within watersheds. Watershed projects are limited to 250,000 acres and cannot include any single structure that provides more than 12,500 acre-feet of floodwater retention capacity, or more than 25,000 acre-feet of total capacity. Projects may include flood prevention and damage reduction, development of rural water supply sources, erosion and sediment control, fish and wildlife habitat enhancement, wetland creation and restoration, and increased recreational opportunities. NRCS provides technical and financial assistance to support plan development and project implementation.

NRCS can offer suggested conservation practices to individual landowners and work with local communities to create vital infrastructure protecting and restoring natural resources. NRCS financial and technical assistance for watershed projects includes dams that not only offer flood control, but can also offer critical fish and wildlife habitat, livestock water, recreation and in some cases municipal water.

Additionally, Flood Prevention Operations includes projects in 11 watersheds that were specifically authorized under the Flood Control Act of 1944 (P.L. 78-534) and are much larger than Small Watershed Program projects. The Flood Control Act placed a primary focus on watershed protection by preventing floodwater damage and stabilizing stream channels, tributaries, and banks to reduce erosion and sediment transport. The Watershed Protection and Flood Prevention Act extended these authorities to expand NRCS's ability for delivering additional conservation investments beyond those focused solely on flood damages. Through these programs, NRCS has assisted in the construction of more than 11,850 watershed dams that help mitigate flooding downstream, offer municipal and industrial water supply, provide recreation opportunities, and serve as a source of irrigation for our farmers and ranchers. These dams are located in 1,271 watersheds in 47 states and help protect numerous farms, businesses, and positively impact millions of people each day.

In FY 2022, the Agency received \$600 million in discretionary funding for the WFPO account, which included \$500 million from the Bipartisan Infrastructure Law. The \$500 million authorized in the Bipartisan Infrastructure Law has been allocated to new and existing watershed projects.

NRCS also received \$50 million in mandatory funding in FY 2022. NRCS provided funding to 261 projects in 39 States and the territories of the Commonwealth of the Northern Mariana Islands (CNMI), Commonwealth of Puerto Rico, and the U.S. Virgin Islands. In selecting projects for funding, the Agency prioritized addressing drought in the western States, projects that would have a positive impact on historically underserved and tribal communities, and projects that involved sponsors who had not previously worked with the Small Watershed Program.

In FY 2023, the Agency received \$75 million in discretionary funding and \$50 million in mandatory funds for the WFPO account. NRCS continues to assess new, remedial and backlog projects submitted for funding across the county.

Watershed Rehabilitation Program

The Watershed Rehabilitation Program provides technical and financial assistance for the planning, design, and implementation of projects to rehabilitate and extend the service life of aging watershed dams and bring them into compliance with applicable safety and performance standards, or to decommission the dams so they no longer pose a threat to life and property. While the Watershed Rehabilitation Program is a separate account, its activities are included as part of WFPO. Passage of the Agriculture Improvement Act of 2018 (P.L. 115-334) also authorized \$50 million in mandatory funding for WFPO and the Watershed Rehabilitation Program, which prioritizes dams that pose the greatest risk to public safety. These dams are classified as high hazard potential in the national dam safety classification system. All high hazard potential dam project requests from public sponsors will be rehabilitated before dams classified as low or significant hazard potential to public safety. The Watershed Rehabilitation Program provides up to 65 percent of the total cost for dam rehabilitation projects, including the acquisition of land, easements, rights-of-way, project administration, non-Federal technical assistance, and construction. NRCS provides technical assistance to conduct studies, develop rehabilitation plans, develop environmental impact statements, prepare the engineering designs, and provide construction management services. Local sponsors are required to provide 35 percent of the total project cost.

In 2022, the Watershed Rehabilitation Program received \$1 million in discretionary funding and \$118 million from the Bipartisan Infrastructure Law (BIL). From the BIL, \$101 million has been

allocated to existing rehabilitation projects, and the \$17 million remainder will be used for new projects or existing projects as they progress to construction phases. This investment in watershed rehabilitation recognizes the critical role of these watershed structures in flood management, water supply, erosion control, agricultural productivity, recreation, and wildlife habitat. This funding helps to repair aging infrastructure, creates jobs and commerce, and protects homes and families. The agency continued to provide funding and promoted assessments of high-hazard potential dams, monitored costs, and examined the rehabilitation program to ensure equitable delivery in economically disadvantaged areas.

In 2022, 144 assessments of high hazard dams were funded. These assessments provided communities with technical information about the condition of their dams, and alternatives for rehabilitation of dams that do not currently meet Federal dam safety standards. From 2000 through 2022, 446 dams have been funded for rehabilitation. Of the 446 dams, 269 dams in 26 States were authorized for rehabilitation. There are 156 dams in the planning phase that are subject to funding priorities. Of the 269 dams that were authorized for rehabilitation, 176 have been rehabilitated and 39 are in the design and 23 are in the construction phase.

In 2023, the Watershed Rehabilitation Program received \$2 million in discretionary funding, and the Agency is working to ensure these resources are put to their best use. The reality is that many of the communities protected by the watershed dams that NRCS helped to establish are now vulnerable to flooding. Many dams have reached, or will soon reach, the end of their design life. There are currently 5,938 watershed dams that have reached the end of their originally designed lifespan. That total is estimated to increase to 6,392 by December 2023; 6,609 by December 2024; and 6,782 by December 2025. This has happened over time because dam spillway pipes have deteriorated, and reservoirs have filled with sediment. Additionally, the areas around many dams have changed as homes and businesses have been constructed on what was once agricultural land. A dam failure could pose a serious threat to the health and safety of those living downstream and to the communities that depend on the reservoir. Dam failure also could bring serious adverse environmental impacts.

DAMWATCH®: Dam safety is a critical concern as many of the watershed dams NRCS assisted local sponsors with construction financing were built in the 1950's, 1960's, and 1970's. Of the

11,800 NRCS assisted dams, 2,423 are high-hazard, meaning the potential for a loss of life should a dam failure occur. Many of these dams need upgrades to meet current public safety standards, and many more need key repairs to man-made components. NRCS has worked to help sponsors mitigate risk with DAMWATCH®. DAMWATCH® is a web-based application developed for NRCS to support watershed project sponsors with monitoring and managing NRCS-assisted dams. DAMWATCH® provides real-time monitoring of rainfall, snowmelt, stream flow, and seismic events that could pose potential threats to dam safety. The application can alert essential personnel when dams experience potentially hazardous conditions, allowing for the coordinated deployment of personnel and resources. NRCS and watershed project sponsors utilize DAMWATCH® to manage a proactive response through the application’s “one stop shop” for accessing critical documents, databases, monitoring devices, and geospatial information.

Program Improvements

Over the past two years, NRCS identified strategies to improve watershed program delivery to meet increased workload and changing priorities. Measures adopted include refined agency policies, additional delegations of authorities to states, improved program reporting mechanisms, new standardized forms for funding requests and other decision points, and ongoing financial allocations to projects for improved project implementation as resources become available.

Fiscal Year 2024 President’s Budget Overview of Watershed Programs

The fiscal year 2024 Budget proposes a funding level of \$1.250 billion for NRCS, a net decrease of \$718 million from the 2023 Enacted Budget. This includes a \$77.4 million increase from the 2023 Enacted Budget for Conservation Technical Assistance (CTA).

The FY 2024 Budget proposes \$175 million in discretionary funding for WFPO and \$10 million for the Watershed Rehabilitation Program. The Agriculture Improvement Act of 2018 permanently authorized \$50 million in annual mandatory funding to be used for WFPO and the Watershed Rehabilitation Program. Within WFPO, the budget proposes \$160,000,000 for the Small Watershed Program, an increase of \$104.8 million. The other \$15,000,000 is for Flood Prevention Operations, which includes projects that were specifically authorized under the Flood Control Act of 1944, an increase of \$4.974 million. These increases will allow NRCS to address the increased cost of projects that are now ready for implementation. Additional funding is requested to address cost

escalation in project implementation phases (both design and construction) for the highest priority projects that have completed the planning phase.

The budget proposes \$10,009,000, an increase of \$8 million from 2023, for the Watershed Rehabilitation Program. Dams installed through the Watershed Protection and Flood Prevention Act, Pilot Watershed Projects authorized by the Agriculture Appropriation Act of 1953, and the Resource Conservation and Development Program are eligible for rehabilitation assistance. There are currently 221 active watershed rehabilitation projects, and of these there are 161 dams in planning, 40 dams in design and 20 under construction. This funding will provide construction funds for two rehabilitation projects that will address critical public health and safety concerns with aging dams reaching the end of their design lives.

Conclusion

NRCS's Watershed and Flood Prevention Operations Program combines the agency's technical, scientific, and financial resources to have the greatest impact on our nation's resources. This program reflects our commitment to local leadership on critical conservation issues and targets the specific needs of communities across the country.

Protecting our Nation's small watersheds is essential to protecting lives, natural resources, and agriculture. As we work to respond to the climate crisis, maintenance and upkeep of these dams and related infrastructure is more important than ever in the face of extreme weather and natural disasters. We know that farmers, ranchers, foresters, and other landowners are on the frontlines of the climate crisis, and NRCS stands ready to support the implementation of conservation and infrastructure solutions that respond to the severity of the crisis. I appreciate Congress's continued support for NRCS and our work to ensure the safety and functionality of our small watersheds and voluntary conservation on working lands. Thank you for the opportunity to provide testimony.