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TESTIMONY BEFORE THE HOUSE RESOURCES

SUBCOMMITTEE ON WATER AND POWER

FRIDAY, JUNE 14, 2002

Mr. Chairman, I want to thank the Subcommittee for holding this hearing today to discuss the Quantification Settlement Agreement (QSA) and the Interim Surplus Guidelines and what these agreements mean for California.

The proposed Imperial Irrigation District-San Diego water transfer, a key component of the QSA, is based on the proven model in which an urban area acquires water by providing a rural area with the funding necessary for water conservation technology that it could not otherwise afford. Under this "win-win" approach, farmers can farm more efficiently, and the conserved water goes to meet urban demands.

It appears, however, that the IID-San Diego conservation-based transfer will have a negative impact on the Salton Sea because greater efficiency means less irrigation runoff will reach the Sea. Now the people of the Imperial Valley are being told that instead of conserving water, they must simply stop farming on up to 75,000 acres of land so that the transfer does not accelerate the already increasing salinity levels of the Sea.

A fallowing approach may buy the Sea a few more years before it becomes hypersaline, but what about the people of the Imperial Valley? Common sense suggests that you can't reduce agricultural production in the Valley by 20 percent without a very severe impact on the area's already distressed economy.

A recent study found that fallowing would eliminate almost 300 Valley jobs in the short term and about 1,400 jobs in the long term. Direct economic losses to the farm sector alone would amount to hundreds of millions of dollars. On the other hand, the same study found that a conservation-based transfer would *create* jobs and *generate* hundreds of millions of dollars in new income for Imperial County, one of the poorest jurisdictions in California.

Still, environmentalists say that fallowing is the only reasonable option, and they have threatened to fight the conservation-based transfer. Interior Department officials keep threatening to take the Valley's water away unless it agrees to fallow, and many in Congress and the State Legislature say that the Valley must fallow because it is the "win-win" course.

How does the Imperial Valley win when it loses jobs and income?

The Salton Sea has many dedicated protectors who will ensure that any damage to the Sea is minimized and mitigated. But who is offering to protect the farmworkers and farmers who will lose their jobs and homes because of fallowing? The environmentalists? The Interior Department? The United States Congress? The other water districts? Not so far. While they call for shifting the negative impacts of the water transfers from the Salton Sea to the Imperial Valley community, they offer no meaningful measures to mitigate the inevitable economic and social damage.

Yes, IID and the Valley will receive revenues from the water transfers, but that income will not nearly cover the costs and the economic losses caused by fallowing. Nor would it replace the economic stimulus that would come from a conservation-based transfer.

In addition to the obvious economic concerns, the people of the Imperial Valley are worried that fallowing will have other negative consequences. For example, a conservation-based transfer will allow the Imperial Irrigation District to become more efficient in its use of water and therefore less likely to be attacked, as it has been in the past, for its water use. A fallowing program will not improve efficiency at all, and farmers fear that they will be threatened again in the future with loss of their supplies.

There also is concern that if the Valley is forced to fallow this time, the 17 million people on the Southern California coast will eventually try to wring more water from the Valley through additional fallowing or by some other objectionable means.

In addition, even fallowing has environmental impacts. Who will pay for mitigating them? Who will pay for the inevitable litigation that will arise from environmentalists and others who think that fallowing doesn't go far enough, or goes too far?

All of these concerns weigh heavily on the minds of Valley residents and decision-makers. The benefits to California of an approved QSA and the availability of surplus Colorado River water for the next 15 years cannot come solely on the backs of the people of the Imperial Valley. There are serious concerns that won't be pressured away or bought off with a few appropriations dollars.

Some people believe that the QSA is in trouble because IID wants to "back out of the deal." That's just flat out false. The IID likes the existing deal in which we conserve water for transfer and all the parties share the costs of mitigating any impacts. The real problem is that the Interior Department and others want to change the deal so that IID fallows land and absorbs all the negative impacts. They are angry with us because we won't do that – we won't volunteer to shoot ourselves in the head for the benefit of our richer neighbors.

Is there a way to make the water transfers succeed without harming the people of the Imperial Valley or the Salton Sea? We hope so, and we're working very hard to find that solution.

But if fallowing is really in the best interests of the region, the state and the nation, then the region, the state, and the nation need to step forward to help the people of the Imperial Valley address the consequences of fallowing. There must be a commitment to genuinely mitigate the severe economic impacts and to protect the Valley from never-ending demands on its water and ever-escalating environmental requirements and litigation.

Are the advocates of fallowing willing to act now to address these issues? The people of the Imperial Valley need an answer to that question before they are willing to put the future of their community on the line.