TESTIMONY OF ROBERT BENDICK
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THE ROLE OF "GREEN INFRASTRUCTURE" IN ECONOMIC STIMULUS LEGISLATION

Thank you for inviting me to testify here today. My name is Bob Bendick, and I am the Director of U.S. Government Relations for The Nature Conservancy. As you may know, the Nature Conservancy's mission is to protect habitat for the diversity of plants and animals in the U.S. and around the world.

Before coming to Washington last June to take on my current job, I was the director of the Conservancy's ten-state Southern U.S. Region where I had a good deal of experience with the two sets of issues that I will discuss today:

- Environmental restoration activities conducted by the U.S. Army Corps of Engineers; and
- The reduction of nutrients and pesticides associated with agricultural runoff.

I believe both of these areas of concern are critical to the future of our nation's water resources and are important targets for economic stimulus funding now pending in the House and Senate.

There is now overwhelming evidence that healthy waterways and their associated wetland systems provide ecological services of great value to our country. These services include clean and abundant water, protection from inland and coastal flooding, sequestration of carbon, fish and wildlife habitat, and outdoor recreation. When degraded or inappropriately modified, the loss of these services intensifies the effects of pollution, flooding, drought, and climate change. Frequently, state and local governments and federal agencies are forced to compensate for the loss of these essential services through construction of conventional infrastructure that is expensive to build and maintain.

U.S. Army Corps of Engineers

Among The Nature Conservancy's recommendations to the Transition Team of the Obama Administration were suggestions that the U.S. Army Corps of Engineers:

- Develop a national program with the goal of doubling the restoration of freshwater and coastal ecosystems and, then, work closely with Congress, state and local governments to achieve that goal; and
- Develop tools and support the planning and budgeting of water resources projects on a watershed or regional basis.

The American Recovery and Restoration Act or any subsequent stimulus legislation could help to advance these objectives and, particularly, the objective of accelerating restoration of freshwater and coastal ecosystems using a watershed approach.

Since Congress added ecosystem restoration as one of the Corps of Engineers' primary missions in 1986, the Corps has led some of the nation's largest and most ambitious ecosystem restoration projects (e.g., the Florida Everglades, Coastal Louisiana, and Upper Mississippi River). The Corps has also become a leader in carrying out smaller-scale projects. The Corps aquatic ecosystem restoration efforts include floodplain restoration, wetland and coastal hydrology and vegetation, shellfish restoration, dam removal, fish passage, and levee modification, among others. Many of these large and small scale efforts require significant engineering and construction resources that would quickly create a significant number of jobs.

We recommend that Congress direct that no less than one third of the Army Corps of Engineers overall allocation in the economic stimulus package be dedicated to ecosystem restoration projects. While we advocate substantial spending on the largest projects—to achieve geographic distribution of funding, and to ensure that the stimulus funding meets multiple small and large scale restoration needs and generate job growth throughout the country—we encourage that this distribution include funding for at least the following restoration authorities:

- **Large-scale programmatic restoration authorizations that have received construction authority** (e.g. Upper Mississippi River, Everglades, Missouri River Recovery, Puget Sound and Louisiana Coastal Area). Many of these efforts have invested significant resources in pre-construction engineering and design and have projects that have received construction authorization but no funding to proceed with construction. Funding allocated through a stimulus package could be quickly obligated and provide significant economic and environmental benefits. The total funding recommendation provided for this line item is based on the FY 2009 spending capability for the five projects listed above.
- **Individually authorized small to medium scale restoration projects or multi-purpose projects with a restoration component**. There are a suite of projects that are individually authorized and have received regular investment for feasibility studies and design. Many of these received construction authority in the last Water Resources Development Act. Funding should be allocated to those projects that have a clear environmental restoration benefit, are authorized for construction and could quickly obligate funding.

- **Continuing authority programs (CAPs)**, which include Section 206, Aquatic Ecosystem Restoration, and Section 1135, Project Modifications for Improvement of the Environment. These continuing authority programs have been hamstrung by high demand, insufficient funding and a growing backlog of projects. As a result, the programs cannot implement pending restoration projects and many existing projects have been languishing without funding. Many of the projects already in the program queue, some of which have received little or no funding in recent years, have completed large portions of the necessary design work and could quickly finalize design and award contracts for construction. Because of the small nature of individual projects within these programs (less than $5 million total Federal cost), a significant investment via the stimulus package could clear the large backlog and quickly inject stimulus dollars into the economy.

Let me conclude this portion of my testimony by talking more specifically about critical projects that should move forward in the Everglades and the Louisiana Wetlands.

In the Everglades, the ongoing construction of various aspects of the complex Everglades restoration plan offer many opportunities for the rapid expenditure of stimulus funds. The South Florida Water Management District (SFWMD) has proven to be an able partner in restoration activities and is certainly capable of putting money to use very quickly. I am attaching a schedule of projects proposed for stimulus funding by the SFWMD. Many of these projects are of particular interest to The Nature Conservancy, but I would like to highlight restoration of the Kissimmee River. The partially-completed Kissimmee River Restoration project has already demonstrated real benefits for water quality and water management. The restoration has transformed the Kissimmee from a sterile ditch back into a sinuous river with its adjacent wetlands that helps cure the ills of downstream waters, is beautiful again, and, by the way, is a wonderful place to fish for bass. The Indian River Lagoon restoration consists of a number of projects that will reduce impacts on an estuary of exceptional importance.

With respect to the Louisiana Wetlands, while this project is not as advanced as the Everglades, projects involving restoration of natural systems and functions that we believe are ready to go include:

- The beneficial use of dredged sediment to stabilize eroding wetlands;
- The reintroduction of Mississippi River flows through Bayou Lafourche; and
- Various smaller Coastal Wetlands Planning, Protection and Restoration Act (CWPPRA) projects in South Louisiana, including barrier island restoration.

Mississippi River Delta/Coastal Ecosystem Restoration Projects provide protection from coastal storms, improvement of water quality and exceptional wildlife habitat while generating a large number of jobs.

Treatment of Agricultural Runoff

The Nature Conservancy's transition documents for the new administration also address the use of Farm Bill and Environmental Protection Agency programs to improve water quality.

While runoff carrying nutrients and pesticides from intensive agricultural operations has been reduced in recent years by improved farming techniques, it is still a problem both for major rivers and for receiving waters like the Chesapeake Bay and the Gulf of Mexico where excess nutrients have contributed to a large "dead zone" that damages important fish and shellfish habitat.

University and field scientists are developing very promising new techniques for further reducing agricultural pollution while increasing the productivity of adjacent land, mitigating flooding and providing valuable wetlands habitat. The Nature Conservancy's chapters in Iowa and Indiana have been involved in advancing two of these approaches.

In Iowa, there is a proposal supported by the Iowa Department of Agriculture and Land Stewardship to expand the existing Conservation Reserve Enhancement Program (CREP) to restore small wetlands within intensively farmed areas. These wetlands, if linked in programs for whole sub-watersheds, remove nutrients, hold storm water, and hold moisture in times of drought. In addition to these benefits, the CREP proposal would also result in increased habitat for waterfowl and other species and improved agricultural yields through more efficient drainage of farmed wetlands.

In Indiana, we are cooperating with the Environmental Protection Agency to develop a program of "two-staged ditches" which, in effect, convert agricultural drainage ditches back to a more natural cross section—allowing flood waters to spread out and permitting the re-growth of wetlands vegetation.

In both Iowa and Indiana, these natural technologies have been measured to reduce nutrient and pesticide flows into adjacent rivers and streams.

We recommend providing funds primarily through the EPA 319 Non-point Pollution Program to assist individual landowners and drainage districts to install the kinds of measures described above within watersheds or sub-watersheds targeted by state and federal agencies. Given the current economic difficulties of state and local governments, the match requirements for the 319 Program should be waived, and/or 319 funds should be allowed to match Natural Resources Conservation Service and Farm Services Administration funding for specific on-farm projects. It would be preferable for EPA to provide funds through USDA because USDA has the infrastructure to deliver programs and works directly with farmers. At the same time, providing funding through EPA will ensure that the money is targeted to nutrient management.

These methods of nutrient removal are highly cost effective and also produce environmental benefits. Midwestern flooding has been exacerbated by increased runoff.

Retaining peak flows in the uplands helps to mitigate lowland flooding, lessening the stress on existing structures, and lessening the chances of catastrophic flooding. Strategically placed wetlands also retain moisture in the agricultural landscape in times of drought, and, of course, provide excellent wildlife habitat.

Between 1985 and 2005, USGS estimated nutrient fluxes from the Mississippi River to the Gulf of Mexico ranged from lows of 810,000 metric tons of nitrogen to highs of 2,210,000 metric tons of nitrogen. At $2/lb per nitrogen removed (one of the most cost effective-estimates based upon various treatment options), abating the nitrogen load by 45% for the Mississippi basin is a $1.6B to $4.4B challenge. Funding of natural system based nutrient removal in the American Recovery and Restoration Act could lead to long term, basin-wide and highly cost-effective nutrient control efforts in the Mississippi and Ohio River basins, and other major river basins such as the Potomac and Susquehanna.

An investment in green agricultural infrastructure in these major river basins to manage water and nutrients could employ thousands of technical service providers, surveyors, engineers, heavy equipment operators, mechanics, equipment manufacturers and others. This army of conservation practitioners would design and construct treatment wetlands and two-stage drainage ditches.

Finally, it is my understanding from our field programs that there is excellent support for these ideas in both agricultural and environmental communities. Therefore, doing something like the National Research Council has suggested—EPA and USDA moving to establish a Mississippi river Basin Nutrient Control Implementation Initiative—is a very real possibility.

Summary

Taken together, these proposals for ACOE, EPA and USDA spending in the American Recovery and Restoration Act can put lots of people to work right now on easily designed and implemented projects. These proposals can also be a tangible beginning to a longer term effort to use green infrastructure to reduce impacts on our environment in ways that will produce tangible and quantifiable ecosystem services that will, in turn lessen budgetary pressures on state and local government in the future, contribute to our overall economy and provide the foundation for future growth.

South Florida Water Management District
Economic stimulus package request
January 11, 2009

Project	Appropriation Request	Agency Performing Construction	Annual Direct Jobs Created on the Ground	Life of Construction Direct Jobs on the Ground	Indirect Jobs Created	Permits, Plans and Specs	Land Acquisition Complete
Herbert Hoover Dike Rehabilitation **(3)**	$77 million	Corps	120	240		Yes	Yes
C-44 Reservoir and Stormwater Treatment Areas	$363 million	SFWMD	232	581		Yes	Yes
C-43 Reservoir **(1)**	$473 million	SFWMD	252	758		Yes	Yes
Kissimmee River Restoration **(3)**	$31 million	Corps	50	50		Yes	Yes
Picayune Strand /FAKA Union Pump Station Works and Road Removal	$90 million	SFWMD	86	173		Yes	Yes
Picayune Strand /Merritt Canal Pump Station Works and Road Removal **(3)**	$52 million	Corps	50	100		Yes	Yes
C-111 Spreader Canal	$70 million	SFWMD	75	112		Yes	Yes
C-51/Stormwater Treatment Area 1 East	$8 million	SFWMD	20	20		Yes	Yes
L31 North Seepage Pilot Project **(3)**	$5 million	Corps	15	15		Yes	Yes
Seminole/Big Cypress Project **(3)**	$3 million	Corps	10	10		Yes	Yes
TOTALS	**$1.16 billion**		**910**	**2059**	**20,941 (2)**		

NOTES:

(1) The C-43 Reservoir would either require authorization within the Stimulus Act or could be constructed under standard permitting processes, with crediting adjustments after authorization.

(2) According to the Associated General Contractors of America, $1 billon in non-residential construction spending would create 23,000 jobs. So, $1 billion of stimulus dollars creates 2,059 workers on the projects themselves and 20,941 indirect jobs.

(3) The South Florida Water Management District is unable to certify to the ability of the United States Army Corps of Engineers being able to start construction within a 90 day window.

Appropriations from this economic stimulus package will be credited to the Federal Government under appropriate Project Partnership Agreements. However, these appropriated funds will not require immediate matching cash or in-kind contributions to balance the 50-50 cost share between the South Florida Water Management District and the Corps of Engineers under the Comprehensive Everglades Restoration Plan (CERP). These funds will be matched with land acquisition or in-kind work on other CERP projects. If cash contributions are necessary for balancing the 50-50 cost-share for CERP, these will not be until the final accounting for CERP.