

We commend Chairman Rogers and Chairman Frelinghuysen for their efforts to assemble this bill in an inclusive manner. The bill funds critical water resource projects, supports science activities necessary to American competitiveness, and contributes to our national defense through vital weapons, naval reactor research and nonproliferation funding, all priorities that unite rather than divide us. Chairman Frelinghuysen has worked hard to incorporate the interests of Members from both parties.

The Subcommittee's allocation is \$30,600,000,000, a decrease of \$5,901,082,000 from the Administration's budget request and \$1,043,303,000 below the 2011 level. This allocation has necessitated severe cuts to crucial programs. While we truly appreciate the Chairman's considerable efforts and recognize that difficult choices must be made to address the nation's serious financial situation, this bill starkly illustrates the shortsighted nature of the spending cap set by the House budget. The allocation for Energy and Water is simply insufficient to meet the challenges posed by the economic downturn and to guarantee our national security.

The cut-at-any-cost ideology has severely hindered our Committee's ability to produce bills that adhere to principles of good governance. This bill contains inadequate funding levels for energy efficiency initiatives, the Army Corps and environmental cleanup, to name a few. These decisions sacrifice long-term investment needs for short-term gain. In 2005, when flooding devastated the city of New Orleans, the message was loud and clear: going forward we must protect vulnerable areas with sound infrastructure investments or risk greater humanitarian and fiscal repercussions. Since then, we've spent nearly the equivalent of three times the annual appropriation for the Corps rebuilding New Orleans. We did not make the proper initial investments and should have learned from that mistake. The funds needed to protect our communities and prepare for the future would be even further delayed under this bill.

We commend the Chairman for increasing Corps funding by \$195 million above the President's request, ensuring that some ongoing projects will not be terminated. We must invest in our infrastructure, and, even with the additional funds, the bill provides \$89 million less than 2011 and \$677 million less than FY 2010. Our ports, harbors, navigational channels, and locks continue to provide the foundation for long-term economic growth. At this funding level, we are not close to addressing the dredging backlog that plagues waterborne commerce in the United States. Currently, for the top 59 ports in the U.S., the Corps is only able to maintain authorized depths within the middle half of the channel, one third of the time. Every day, this costs companies that rely on these ports and it serves as a major impediment to expanding their workforce. This is merely one of the reasons why, in 2009, the American Society of Engineers gave our nation's dams, levees, and inland waterways grades of D or D-.

We support and appreciate the inclusion of emergency funding to respond to the historic flooding in the Mississippi and Missouri Rivers. Communities devastated by natural disasters deserve our full support. We are, however, disappointed that the Chairman chose to offset this funding by withdrawing critical support from high speed rail projects.

We disagree with the notion that all funding for domestic emergency response should be offset immediately. In every year except two, since 1997, the Congress has recognized the need for emergency funds to respond to the impacts of natural disasters on the nation's water resource infrastructure. Since 2001, the Congress has provided more than \$24 billion to the Corps for this purpose. Leaving out the enormous cost of reconstruction of New Orleans and the surrounding area, nearly \$5 billion was provided in that time frame for emergencies stemming from flooding. As we debate the long-term trajectory of taxes and spending in this nation, we cannot forgo actions necessary for the security and safety of our citizens. Yes, we must make difficult decisions that will impact the future of this nation, but we cannot allow those decisions to fall on the backs of those who have already suffered. Our country has rightly provided funding on an emergency basis for construction projects in Iraq and Afghanistan. We should have the fortitude to do the same to protect our citizens at home.

According to the Congressional Budget Office (CBO), the cost of the Frelinghuysen amendment to provide this funding was offset only in terms of budget authority (that is, authority to spend), but not in terms of actual outlays. This is because CBO expects that outlays from the new budget authority provided by the amendment will far exceed outlays that would have resulted from the budget authority it rescinds. In fact, CBO estimates that the amendment increases outlays resulting from the bill by a total of \$1,029,000,000 over 10 years.

The bill continues the Subcommittee's efforts over the years to improve program and project management at all of the agencies under its jurisdiction, honing provisions carried in the past and instituting others aimed at increased oversight. For example, the bill includes a requirement that independent cost estimates be completed at major milestones for projects with a total cost in excess of \$100 million. A recent review of the Department's clean-up-related construction projects by the Corps of Engineers paints a bleak picture of the management system and casts doubt on recent reforms intended to move the Department off the Government Accountability Office's High Risk List, a list the Department has been on for the past 21 years. The Chairman has included a number of reporting requirements and statutory limitations that will contribute to increased transparency and improved management. We strongly support the Chairman's action.

The Science account, critical to the competitiveness of our nation, is essentially the same as that of 2011, not an insignificant achievement in light of the challenge this allocation provided. The bill also provides funds for the continuation of a promising new program, ARPA-E; that can also drive innovations to support our scientific competitiveness.

While the bill includes appropriate funding for fossil and nuclear energy, we are disappointed that renewable energy programs in this bill are drastically reduced. We can debate whether our dependency on imported oil and other carbon fuels is an environmental problem or an economic problem. Either way, it clearly is a national security problem given the source of so much of our energy. We must expand the mix of our energy supply, we must use the energy supply we have more efficiently and we must transport it more efficiently. We have to make an investment to do that. We do not believe the allocation allows for the support necessary to advance our efforts on this front.

Restoring the United States to a position of global leadership in clean energy is a critical national priority, with implications for our economic competitiveness, national security, and environmental legacy. This goal can only be achieved through widespread and large-scale deployment of clean energy technologies. With private equity investment not yet at pre-recession levels, we are pleased that the bill includes funds for renewable energy loans. This funding will ensure that companies who have spent millions in pursuit of a loan guarantee have an avenue to get such a loan and to help move our country toward a diversified energy portfolio in order to encourage their development on a broader and much-needed scale.

We support the Chairman's decision to provide increases to weapons and naval reactors only for the most critical of the activities within these accounts. The bill also includes a provision limiting the funds that can be spent on the B-61 life extension program until the Administrator of Nuclear Security submits the outcome of its Phase 6.2a design definition and cost study. Given the fact that the B-61 will be the most ambitious and extensive warhead refurbishment since the United States first began producing life extended nuclear weapons in 1999 and the recent findings of the Government Accountability Office questioning how the reliability of the weapon would be impacted, the Chairman wisely proceeds with caution on the life extension program.

We note that the Nonproliferation account is significantly reduced by more than \$460,000,000 from the request. This is on top of the \$360,000,000 cut from the request that was provided in 2011. While we appreciate the Chairman's work to preserve the most essential activities, the allocation results in a reduction in efforts to secure dangerous material. While nuclear material security spending was only about one-third of one percent of the total defense budget last year, the National Nuclear Security Administration (NNSA) secured 800 bombs' worth of nuclear

material in 2010. Since April 2009, NNSA has overseen the removal of 120 bombs worth of highly enriched uranium from six countries, including the last bomb's worth of material from Chile in the immediate aftermath of an earthquake. This is a remarkable return on investment.

The proposed cut reduces our ability, in ways that may not be immediately evident, to counter the most serious threat confronting our national security: the threat of nuclear terrorism. For example, cuts proposed in the reactor conversion program will affect not only domestic reactor conversion, but urgent worldwide efforts as well. In order to convince countries to give up the Highly Enriched Uranium (HEU) associated with these reactors so it can be removed and secured, the U.S. must continue to work with countries that have already made political commitment, as well as set the example by converting its own reactors. We have made significant progress at home and abroad, but this program is a key to removing HEU from a number of countries and to reducing risk within our own borders. On domestic radiological source recovery and security, NNSA has legislative authority for this program and is doing an outstanding job working not only with states, but coordinating with the Nuclear Regulatory Commission, Department of Homeland Security, and the Federal Bureau of Investigation. The cuts to the Second Line of Defense program will stop work in seven countries in high risk areas for trafficking, including the Caucasus and Central Asia. This program has provided equipment that has detected and supported the interdiction of nuclear material in Georgia twice during the past year. Continuing to work in these regions is addressing a real security threat.

We are concerned that the funding the bill includes for Environmental Management (EM) activities is insufficient to meet the federal government's legal obligations to clean up its defense nuclear waste. This program is critical to addressing the environmental legacies of the Cold War and the Manhattan Project. Given that EM's portfolio is one of the nation's largest environmental and financial liabilities, we have the responsibility to address the waste and contamination in the affected communities in a timely and competent manner.

Lastly, we commend Chairman Frelinghuysen for the decision to provide funding for the Yucca Mountain nuclear waste disposal project and for including the provision to prohibit the use of funding to abandon the project. We agree that the Administration's actions to close down the project run counter to the Nuclear Waste Policy Act Congress of 1982.

As this bill moves forward, we hope to work with the majority to address these concerns.

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