

"Mr. Chairman, I want to congratulate you on your first full Committee markup as the Energy and Water Chair. I know you were faced with very difficult decisions with the allocation the subcommittee was given, and I want to commend your exceptional efforts in crafting this bill.

"I would also like to thank each member of the Subcommittee for their serious and collegial work and the majority Subcommittee staff and your personal staff for their great work. I also want to thank the minority committee staff as well.

"As you have already pointed out, the allocation for Energy and Water, \$30.6 billion, is nearly six billion below the President's budget request and one billion below the 2011 funding level.

"I am pleased that the Chairman and Subcommittee continue the efforts to improve program and project management at all of the agencies under their jurisdiction, honing provisions carried in the past and instituting others aimed at increased oversight. For example, the bill includes a requirement that the Department of Energy complete independent cost estimates 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 GAO's High Risk List, a list the Department has been on for the past 21 years.

"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, which can drive innovations to support our scientific competitiveness.

"The bill also includes funds for renewable energy loans. This funding will ensure that companies that have spent millions in pursuit of a loan guarantee have an avenue to get such a loan and help move our country toward a diversified energy portfolio.

While I am grateful for your considerable efforts, and I recognize that difficult choices must be made to address our 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.

"I appreciate the Chairman 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 your hard work to add funds to the Corps' budget, the bill provides \$89 million less than the Fiscal Year 2011 enacted level 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, 33 percent of the time. Every day, this costs companies that rely on these ports money and 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-.

"Additionally, as many members of the Committee know all too well, there has been a historic flood season in the Mississippi and Missouri River Basins. We know that the clean-up and recovery from these disasters will stress the Corps' budget even further. That is why it is imperative that we make the upfront investments in flood and storm damage reduction projects. Sufficient investment now can prevent incredibly costly rebuilding and repair efforts, such as those following Hurricane Katrina, where we spent more than \$14 billion in one community, New Orleans. This allocation does not allow for those pre-emptive investments to be made.

"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 effectively, and we must transport it more efficiently. We have to make an investment to do that. I do not believe the allocation allows for the support necessary to advance our efforts on this front.

"I would note that the bill adds two "Hubs" to the Department of Energy while cutting both the Science and Renewable Energy accounts that fund them, giving the Department a total of five.

This organizational model has not yet been proven, and I have reservations about starting two new Hubs in light of the cuts to the underlying accounts.

"Nonproliferation accounts are reduced significantly, and while I appreciate your efforts, Mr. Chairman, to preserve some of the most critical activities, the allocation reduces our ability to counter the most serious threat confronting our national security: the threat of nuclear terrorism. The current proposal underfunds the Defense Nuclear Non-Proliferation Account by more than \$460 million below the request. This comes on top of the \$360 million cut below the request that was provided in the final Fiscal Year 2011 Continuing Resolution. These cuts underfund vital national security programs, reducing our ability to secure vulnerable nuclear materials around the world, delaying the removal of bomb-grade uranium, and limiting our capacity to detect illicit trafficking of nuclear materials.

"I also am troubled that this bill waives the application of Davis Bacon and McNamara-O'Hara prevailing wage requirements. Further, it includes a misguided prohibition of funds to develop, adopt, implement, administer, or enforce a change or supplement to rules related to Clean Water Act regulatory guidelines.

"I am truly appreciative that we are, once again, doing the work of this committee, and I commend Chairman Rogers and Ranking Member Dicks for their efforts to this end. I hope that through the Committee process we can deal with some of these issues.

"In closing, Mr. Chairman, I would like to reiterate my appreciation for your work with us on many issues. You have ensured the Energy and Water Development Subcommittee continues its tradition of bipartisanship and, within the constraints you were faced with, you have done wonderful work.

"Thank you again, Mr. Chairman for the time."

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