



**EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503**

February 5, 2014
(House)

STATEMENT OF ADMINISTRATION POLICY

H.R. 3964 – Sacramento-San Joaquin Valley Emergency Water Delivery Act

(Rep. Valadao, R-California, and 14 cosponsors)

The Administration strongly opposes H.R. 3964, the Sacramento-San Joaquin Valley Emergency Water Delivery Act, because it would not alleviate the effects of California's current drought and would disrupt decades of work that supports building consensus, solutions, and settlements that equitably address some of California's most complex water challenges. California is experiencing severe drought conditions and low reservoir storage. The urgency and seriousness of the situation requires a balanced approach that promotes water reliability and ecosystem restoration.

Specifically, H.R. 3964 would undermine years of collaboration between local, State, and Federal stakeholders to develop a sound water quality control plan for the Bay-Delta. And, contrary to current and past Federal reclamation law that defers to State water law, the bill would preempt California water law. Moreover, much of what the bill purports to do could be accomplished through flexibilities in existing law.

The bill also would reject the long-standing principle that beneficiaries should pay both the cost of developing water supplies and of mitigating resulting development impacts, and would exacerbate current water shortages by repealing water pricing reforms that provide incentives for contractors to conserve water supplies.

Finally, H.R. 3964 would repeal the San Joaquin River Settlement Agreement, which the Congress enacted to resolve 18 years of contentious litigation. Full repeal of the settlement agreement would likely result in the resumption of costly litigation, creating an uncertain future for river restoration and water delivery operations for water users on the San Joaquin River.

Californians are facing significant drought-related challenges. This is why the President has directed the Federal agencies to work together to help California and other impacted States prepare for and lessen the impact of the drought. Further, it is why the Administration strongly supports efforts to provide a more reliable water supply for California and to protect, restore, and enhance the overall quality of the Bay-Delta environment. The Administration has taken great strides toward achieving these goals through a coordinated Federal Action Plan, which has strengthened collaboration between Federal agencies and the State of California while achieving results. Unfortunately, H.R. 3964 would undermine these efforts and the progress that has been made.

The Administration looks forward to working with Congress on legislation to address the drought in California and supports efforts that provide water supplies consistent with existing law in the most expeditious manner to address the conditions. These efforts would include reauthorization of the CALFED Bay-Delta Act, the Secure Water Act, and Reclamation States Emergency Drought Relief Act.

For these reasons, if the President were presented with H.R. 3964, his senior advisors would recommend that he veto the bill.

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