

**Statement of John Laird, California Secretary for Natural Resources
before the
Committee on Energy and Natural Resources
Hearing on Water Resource Issues in the Klamath Basin
United States Senate
June 20, 2013**

Chairman Wyden, Ranking Member Murkowski, and members of the committee, I am California Secretary for Natural Resources John Laird. I am here on behalf of California Governor Jerry Brown to express the State of California's continued and firm support of both the Klamath Hydroelectric Settlement Agreement and the Klamath Basin Restoration Agreement.

In California, Governor Brown is committed to tackling some of the most difficult issues of our time. California is a leader on climate change and marine protection – where we established a globally-significant network of marine protected areas while still protecting tribal interests in historic gathering. We forged an agreement to resolve differences between the states of California and Nevada in protecting the clarity of Lake Tahoe, we have released a draft of a comprehensive plan to restore habitat and establish water supply reliability in the Delta, and are working on a landmark program for siting desert renewables.

Part of that determination is reflected in California's continued commitment to the Klamath agreements. More than 40 coalition members representing all of the major interests in the Basin came together and spent years negotiating these complex agreements. California signed onto these agreements in 2010 and signed again, along with all of the other parties, last year to extend them.

The Klamath Agreements represent the first stakeholder-driven compromise ever aimed at the success and health of this basin from, literally, its headwaters in Oregon to the Pacific Ocean in California. They reflect an enormously diverse community that has agreed to a common future for the Klamath Basin for their own stability, recovery, and future economic prosperity.

This accomplishment is even more remarkable because of the history. In the early 2000s, when many of the very same individuals and stakeholders were locked in courtroom battles, bouncing between rotating crises for fisherman, Tribes, farmers, and conservationists, most observers predicted compromise would never occur. It did in the form of the Klamath Agreements.

Every party receives some benefit and more importantly every party is carrying some burden. There are those at this hearing who will tell you that these agreements are not good enough. They may even tell you that they have an alternative. But if you ask them whether the same diverse stakeholders of the Basin will sign on to their alternative like they have signed onto the Klamath Agreements, they don't have an answer.

In the Upper Klamath Basin, irrigation provides over \$300 million annually in direct revenues, an additional \$300 million in indirect revenues, and provides 4,500 jobs. The commercial salmon fishery provides an additional \$150 million into the Basin. In 2006, Congress had to provide more than \$60 million in disaster relief to commercial fishing families when the Klamath salmon stocks were closed to commercial fishing, resulting in over \$100 million in losses. The Klamath Agreements reduce water supply uncertainty for all of the Basin interests that rely on Klamath water. The agreements provide substantial economic benefits to regions that have been impacted by these dams for many years. An analysis under the National Environmental Policy Act indicated the implementation of the agreements would generate 4,600 jobs regionally and protect the \$750 million farming and fishing industries that are still at risk. Support for these agreements and legislation implementing them is support for a broad-based solution that will resolve years of conflict, it is support for one of the single most beneficial actions we can take to restore salmon in the United States and set the Klamath Basin on a stronger economic path going forward.

The agreements also improve water reliability. They provide for a drought planning mechanism to deal with low water years and prevent abrupt reductions and stop gap measures like additional releases by the United States Bureau of Reclamation from the Trinity River Division to augment flows in the Lower Klamath.

Improving water reliability and restoring habitat are key goals of our Administration in California and these goals are reflected in our continued support of the Klamath agreements. The State of California requests your support for legislation implementing these historic agreements. We thank you for your leadership in working with these diverse stakeholders to make the Klamath Basin a better place.