

U.S. House of Representatives
Committee on Resources
Washington, DC 20515

DEC 12 1996

December 3, 1996

Mr. Lester A. Snow
Executive Director
CALFED Bay-Delta Program
1416 Ninth Street, Room 1155
Sacramento, CA 95814

Dear Lester:

Staff representatives from my office and several other California Congressional offices met last week with officials of the Office of Management and Budget to review funding opportunities and budgetary constraints for Bay-Delta ecosystem restoration programs authorized pursuant to the California Bay-Delta Environmental Enhancement and Water Security Act. We have also discussed Bay-Delta funding with House Appropriations Committee staff.

The messages from OMB and the Appropriations Committee are clear:

- ***Funding requests must be targeted at genuine Bay-Delta ecosystem restoration needs.*** While there is no question that the Administration supports the overall goals of the various Bay-Delta programs, OMB specifically stated that they want to see *accomplishments*. Performance (and presumably future funding requests) will be judged on the *success of ecosystem restoration*. This is year one of a process that may run for 20 years; great care must be taken to ensure that the money we are investing will return solid and demonstrable results to the Bay-Delta ecosystem, not just to the water infrastructure in the Delta. CALFED, stakeholders, and agency officials should quickly reach agreement on projects that are/are not eligible for Federal funding.
- ***Funding requests must be honest and realistic.*** OMB cannot be expected to seek appropriations for programs or for specific projects unless we can guarantee that appropriated funds will be spent. The Administration made it clear that agency funding requests will be rejected for programs or projects if reasonable progress cannot be expected in FY98. I am certain that the Appropriations Committee will agree with that policy. In summary, we must clearly justify our request for an appropriation of \$143 million for FY98; if we cannot guarantee significant progress on these projects, we should not ask for funding this year.

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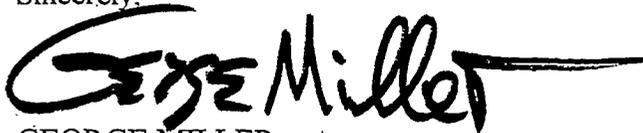
- ***Funding requests must be specific.*** While the idea of combining many Bay-Delta funding proposals into a single funding request enjoys some popular appeal, I am very doubtful such a block grant approach will pass OMB and Congressional appropriations tests. I strongly advise you to break out Federal funding proposals into specific program elements and project funding requests that will fit into the traditional OMB and Congressional Appropriations Committee funding patterns.

The Administration's budget work for FY98 is almost finished. I urge you to develop specific spending proposals as soon as you can.

I will do everything I can to convince Congress to appropriate in FY 1998 the Federal dollars authorized in the California Bay-Delta Environmental Enhancement and Water Security Act. But our requests for funding must be reasonable, fully justified, and in line with the funding procedures and constraints imposed on every other program that competes for the limited dollars in the Federal budget.

I am sending a copy of this letter to groups and individuals who have participated in Proposition 204 and Bay-Delta funding discussions. I encourage you to continue working with these groups and individuals as you prepare your funding recommendations.

Sincerely,

A handwritten signature in black ink that reads "George Miller". The signature is written in a cursive style with a long horizontal line extending to the right from the end of the name.

GEORGE MILLER
Senior Democratic Member