

- **Authorization:** The bill authorizes \$395 million in new California water projects from FY 2005-2010, with a federal cost share limited to one-third for all projects. Existing authorizations for California water projects remain in place.
- **Balance:** The bill evenhandedly provides for California's different water interests. The bill requires the Secretary of the Interior, the Governor, and the California Bay-Delta Authority to review annually whether the program's implementation is proceeding in a balanced manner.
- **Record of Decision:** The bill requires that program activities proceed consistent with the 2000 CALFED Record of Decision. This is an important framework for this bill, which helps ensure that water quality, water supply and fisheries protection all advance together.
- **Storage:** The bill authorizes groundwater storage and feasibility studies for major new off-stream and expanded reservoirs, including the enlargement of Los Vaqueros reservoir, the raise of Shasta Dam, Upper San Joaquin surface storage, and Sites Reservoir. With these 4 storage projects, California could acquire an additional 3.2 million acre feet of storage.

Additionally, the bill would require the Secretary of Interior to find the CALFED program out of balance if Congress does not approve storage projects by the end of the next full Congressional session after the Secretary submits feasibility studies. Upon finding of imbalance, the Secretary would have to submit a report including preparation of revised schedules and identification of alternatives to rebalance the Program, including resubmission of the project to Congress with or without modification, construction of other projects, and construction of other projects that provide equivalent water supply and other benefits at equal or lesser cost.

The bill also would require the annual CALFED report submitted by February 15 of each year to indicate the funding level for the four CALFED feasibility studies for the next fiscal year to keep them on track for completion by 2008.

- **Conservation, Efficiency, and Levee Stability:** The bill includes conservation projects, water recycling, and desalination, and levee stability projects.
- **Environment and Ecosystem Restoration:** The bill includes ecosystem restoration projects, in addition to the Environmental Water Account, which provides water needed by salmon and other fish without taking from farmers' and cities' supply.
- **Conveyance and Water Quality:** The bill ensures no adverse impacts on fishery protection from increased pumping in the Delta . The bill also includes projects that would improve water conveyance, providing increased water to California's farms and cities, while also improving water quality in the Delta and elsewhere.
- **Recycling:** The bill contains provisions to expedite approvals for 49 California recycling projects so Congress could authorize them if it so wishes (a provision consistent with an amendment by Rep. Grace Napolitano to the House bill). These projects will help communities prepare for drought and will help the State stay within its allocation for the Colorado River.
- **Salton Sea:** The bill requires the federal government to complete a feasibility study on a preferred alternative for the restoration of the Salton Sea. in coordination with the State of California and the Salton Sea Authority. The

federal feasibility is due December 2006, the same date that the State is due to decide on a course for restoring the Sea. State and local officials have been pressing for federal involvement in mapping out a strategy for the Sea's restoration.

- **Land Acquisition:** Land acquisition under the program must be consistent with the Record of Decision and address all components of the Program. If public land does not fulfill the project's purpose, land should be sought from “willing sellers”; and easements are preferred over fee acquisitions. The bill also includes reporting requirements to inform Congress about land acquisition and ecosystem restoration projects, and to give Congress a chance to weigh on proposed projects if Congress so chooses. Senator Feinstein worked hard to ensure that the reporting requirements fit within the existing agency processes. For example, the agencies typically send out requests for proposals from conservation groups seeking grants to buy easements and restore habitat. The bill gives Congress a chance to weigh in during the multi-month period that the agencies are 1) reviewing the proposals submitted to them, 2) making recommendations and receiving public input, and then 3) making a final decision.

- **Environmental Water Account:** An important part of CALFED is the Environmental Water Account, which provides water to ensure high levels of fishery protection without simply taking water from farmers. The CALFED Record of Decision anticipates that the water users will help support environmental programs through their paying fair share of ecological restoration fees. The California Bay-Delta Authority's studies to date show that the federal Central Valley Project users are already contributing substantially for ecological restoration through payments into the Central Valley Project Improvement Act Restoration Fund. For this reason, the bill authorizes the agencies to use a portion of the Restoration Fund to pay for the federal users' share of the Environmental Water Account. In order to minimize effects on the Restoration Fund, the bill limits any such payments to \$10 million per year and prevents these payments from being taken from Restoration Fund programs regarding fish and wildlife refuges and most habitat restoration efforts. Senator Feinstein wishes to emphasize that the \$10 million figure is simply an upper limit on the use of the Restoration Fund and is NOT intended to be a projection or a target.

- **Governance:** Federal agencies are authorized to participate in the California Bay-Delta Authority as non-voting members.