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United States House Appropriations Committee Subcommittee on Agriculture, Rural

Development, Food and Drug Administration, and Related Agencies

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# RE: U.S. Department of Agriculture's FY 2014 Budget for the Natural Resources Conservation Service

The Oregon Water Resources Congress (OWRC) strongly supports the U.S. Department of Agriculture's (USDA) Natural Resources Conservation Service (NRCS) and is deeply concerned about reductions to programs important to our members for FY 2014. OWRC is requesting that funding for Agricultural Watershed Enhancement Program (AWEP) and the Cooperative Conservation Partnership Initiative (CCPI) NRCS programs be increased for FY 2014. Specifically, OWRC is requesting that funding for NRCS' Regional Conservation Program be \$100 million annually, but would like to see the AWEP/EQIP portion of the program funded at current levels of \$70 million annually. Also, we request that the "Bridging the Headgates" MOU between NRCS and the Bureau of Reclamation be reactivated and expanded to include other federal agencies.

OWRC was established in 1912 as a trade association to support the protection of water rights and promote the wise stewardship of water resources statewide. OWRC members are local governmental entities, which include irrigation districts, water control districts, drainage districts, and water improvement districts that provide water for agricultural use. These water stewards operate complex water management systems, including water supply reservoirs, canals, pipelines, and hydropower production.

#### **AWEP and CCPI Needs**

Federal support of water conservation activities funded through NRCS programs, including the Agricultural Watershed Enhancement Program (AWEP) and the Cooperative Conservation Partnership Initiative (CCPI), are essential to the conservation of our natural resources and critical to protecting our food, energy and water supply. Financial assistance has been further reduced in FY 2013 from FY 2012 levels. We worry that a further decline of funding for FY 2014 will severely impact districts and other agricultural water suppliers. For example, in 2012, Oregon requested approximately \$3.1 million for project funding, but only received \$2.4 for existing AWEP approved projects and also requested approximately \$3.2 million of CCPI funds, but received \$3.0 million. In FY 2013 Oregon requested \$2.7 million for AWEP funding, but received \$1.78 million and requested \$1.3 million for CCPI, but received \$1.03 million. Funding requests for NRCS overall are not being met. For FY 2013 Oregon requested \$24.7 million in financial assistance for NRCS funding, but received approximately \$20 million.

While we recognize that the Administration has increased funding for some of the NRCS programs, the need for additional financial assistance with conservation projects still far outweighs the budget. NRCS programs are essential to irrigation districts in developing and implementing conservation projects that benefit not only the individual farmers they serve but also the entire watershed and community as a whole. Furthermore, conservation projects also benefit the economy through job creation and ensuring the future viability of American agriculture. AWEP and CCPI help fill a funding void for multi-partner conservation projects. Often large conservation projects do not include individual on-farm projects which limits the effectiveness of the project. AWEP and CCPI allow farmers to pool together and leverage the

dollars invested in the off-farm project with the addition of EQIP on-farm projects. Due to the large number of successful project applications for AWEP, USDA will have to obligate a large amount of the annual \$60 million appropriation to existing multiyear projects. It is important that the funding for these projects not be interrupted so that they may be completed. However, it is equally important to have funding available for new eligible AWEP and CCPI projects that simultaneously benefit the environment and economy.

## **AWEP and CCPI Benefits**

OWRC strongly supports AWEP and CCPI, which are both critical tools for districts and other agricultural water suppliers in developing and implementing water and energy conservation projects in Oregon. AWEP has been highly successful in developing cooperative approaches on a basin-wide scale. This program allows districts and other agricultural water suppliers to partner with farmers to address regional water quantity and quality issues in local watersheds.

The CCPI allows partnerships to be formed with Federal, State and Local interests to address Endangered Species Act (ESA) and Clean Water Act (CWA) issues in watershed basins and sub basins. We believe that water supply issues in Oregon and elsewhere in the nation can be resolved best locally in cooperative partnership efforts that promote conservation with a more aggressive federal funding partnership as defined in AWEP and CCPI.

## **Examples of Successful AWEP Projects in Oregon**

Oregon has had several successful AWEP applicants over the past several years, three from our member districts (described below). The full list of Oregon projects can be found on the Oregon NRCS website at: <a href="http://www.or.nrcs.usda.gov/programs/awep/index.html">http://www.or.nrcs.usda.gov/programs/awep/index.html</a>.

 The Whychus Creek/Three Sisters Irrigation District Collaborative Restoration Project focuses on irrigation water efficiency with irrigation improvements in the Upper Division of the Three Sisters Irrigation District, which is the project partner. The effort will improve stream flows and water quality for native fish while providing farmers a reliable supply of water. **FY 2013 Funding: \$180,000; FY 2012 \$251,300** 

- The Talent Irrigation District Project works with agricultural producers to install conservation practices that will properly utilize limited surface water resources, improve water quality on flood irrigated land by converting to more efficient irrigation systems, and apply irrigation water management to eliminate irrigation runoff. FY 2013 Funding: \$0; FY 2012 Funding: \$4,470
- The Willow Creek Project helps landowners in the Lower Willow Creek Watershed portion of Malheur County convert to water-saving irrigation systems, reduce irrigation runoff, and improve water quality in Willow Creek and Malheur River. The project partner is the Vale Oregon Irrigation District. FY 2013 Funding: \$180,000; FY 2012 \$251,300

In Oregon, NRCS is helping develop the Save Water, Save Energy Initiative, a multi-agency cooperative effort to develop a clearinghouse of information on financial incentives and technical expertise to assist districts and their water users in implementing conservation measures.

Additional innovative projects like the ones above could be developed and implemented in Oregon if more funding is made available.

## Bridging the Headgates MOU and Watershed Planning Needs

The need for continued coordination among federal agencies, including NRCS, the Bureau of Reclamation (BOR), Bureau of Land Management (BLM), Environmental Protection Agency (EPA), NOAA Fisheries, US Fish and Wildlife Service, and Army Corps of Engineers (ACOE), is a significant issue. With the loss of watershed planning funding, reactivating and expanding this program to other federal agencies would be a very cost-effective alternative.

In the past, Oregon NRCS used a watershed resources planning team to conduct Rapid Watershed Assessments throughout Oregon. This planning program helped prioritize projects to bring about the most benefit in critical watersheds and getting on-the-ground conservation projects completed in a timely manner. A number of NRCS funded district projects have been implemented using the data from this program.

Following in the vein of the Rapid Watershed Assessments, Oregon has adopted a Strategic Approach to Conservation. The goal is to invest technical and financial resources to strategically solve natural resource problems and be more effective, efficient, and accountable for staffing, funding and partnerships. This strategy is intended to accelerate the conservation implementation and leverage technical and financial resources required to solve the problem. These types of program activities are effective tools that need a consistent funding source.

#### Conclusion

Our member districts, the farms and other water users they serve, and the communities in which they are located benefit greatly from the NRCS programs described in our testimony. Oregon's agricultural community is actively committed to water conservation programs, but those programs require Federal participation if the agricultural community is to be able to continue its efforts to address Oregon's water supply needs through water conservation. Increasing the budget for NRCS programs is a strategic investment that will pay both environmental and economic dividends to Oregonians and America as a whole. Thank you for the opportunity to provide testimony for the record on the proposed FY 2014 budget for the U.S. Department of Agriculture.

Sincerely,

April Snell, Executive Director