

April Snell, Executive Director, Oregon Water Resources Congress
Testimony submitted to the United States Senate 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 2015 Budget for the Natural Resources
Conservation Service**

The Oregon Water Resources Congress (OWRC) strongly supports the budget for the U.S. Department of Agriculture's (USDA) Natural Resources Conservation Service (NRCS) and we are very excited about the new **Regional Conservation Partnership Program (RCPP)** in the recently passed 2014 Farm Bill. However, because the RCPP combines the authorities of several existing programs, clarification is needed on how some of the provisions will be implemented. Specifically, we request detail on how the new RCPP will cover existing multi-year agreements funded under the Agricultural Water Enhancement Program (AWEP) or Cooperative Conservation Partnership Initiative (CCPI). OWRC also requests that the Columbia River Basin and Klamath River Basin be considered for inclusion in the Critical Conservation Areas (CCAs). Furthermore, it is crucial that the RCPP has adequate resources to leverage partnerships and tackle the complex natural resources conservation issues facing the nation. Lastly, we are strongly supportive of coordinated federal agency watershed planning and funding for the Small Watershed Rehabilitation Program.

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, water improvement districts, and other agricultural water suppliers that deliver water to roughly 1/3 of all irrigated land in Oregon. These water stewards operate complex water management systems, including water supply reservoirs, canals, pipelines, and hydropower production.

Clarification of RCPP Provisions

OWRC is requesting that funding for the NRCS RCPP be clarified to ensure that projects with existing AWEP and CCPI agreements are eligible for funding. OWRC has members with multi-year agreements with NRCS under AWEP and/or CCPI and they are concerned that the remainder of those years may not be funded. This concern is based on remarks made by USDA officials in Washington DC stating that AWEP and CCPI "went away" with the new Farm Bill. As OWRC and its national partners understand the 2014 Farm Bill, it was the intent to consolidate the authorities and maximize the benefits of AWEP and CCPI, not to eliminate these valuable programs. Our organization is hopeful that clarification will be provided so that NRCS can merge the existing agreements into the new RCPP program in a seamless manner. It is in the best interest of those holding current multi-year agreements that this is done as quickly as possible so that they can continue with these beneficial long-term projects that leverage the investments of multiple state and federal partners.

OWRC also strongly supports the additional seven percent (7%) of funding on top of the \$100 million that is to be transferred from AWEP and other related conservation programs that are being combined into the RCPP. It is important to note that we are concerned about implications for program expenditures since the April 1st deadline referenced in Section 2401 for any uncommitted funds returning to each covered program has now passed. Ideally, solicitations for RCPP projects should be issued between Oct-Dec 2014 in order to obligate funds in a timely fashion to meet the March 31st commitment date.

Additionally, as the Secretary of Agriculture considers recommendations regarding the new Critical Conservation Areas (CCAs) under the 2014 Farm Bill, OWRC requests that the Columbia Basin and the Klamath Basin be considered for inclusion as CCAs. Both Basins are facing significant natural resources challenges, span multiple states, and would be excellent candidates to more efficiently promote soil, water and habitat conservation programs on a regional level. The Columbia Basin, which covers parts of seven states and is the fourth largest watershed in the nation, continues to be one of the nation's largest environmental challenges as it wrestles with implementing recovery efforts under the Endangered Species Act (ESA) while balancing other diverse resource needs. The Klamath Basin, which covers parts of Oregon and California, is also facing a complex set of ESA issues that have been further compounded by a devastating drought that has dire impacts for the both agricultural and environmental resources. NRCS funding and participation are an essential part of the cooperative conservation efforts for addressing the complex ESA needs in both of these basins.

RCPP Needs

Federal support of water conservation activities funded through NRCS programs, including the RCPP is essential to the conservation of our natural resources and critical to protecting our food, energy and water supply. Financial assistance has diminished in recent years and there is a backlog of unmet need. We worry that a further decline of funding for FY 2015 will severely impact districts and other agricultural water suppliers. For example, in 2013, Oregon requested \$24.7 million in financial assistance for NRCS funding, but received approximately \$20 million. Because of the large unmet need, we are strongly supportive of providing allocations for FY 2014 year to meet state requests that have been unfunded in recent years.

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.

RCPP helps 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. RCPP allow farmers to pool together and leverage the dollars invested in the off-farm project with the addition of EQIP on-farm projects. And as previously mentioned, due to the large number of successful project applications for AWEP, USDA should continue to fund

existing AWEPP projects within the new RCPP program to finish out 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 RCPP projects that simultaneously benefit the environment and economy.

RCPP Benefits

OWRC strongly supports the new RCPP, which we see as a critical tool for districts and other agricultural water suppliers in developing and implementing water and energy conservation projects in Oregon. In the past AWEPP has been highly successful in developing cooperative approaches on a basin-wide scale, and historically, the CCPI partnerships in the past allowed Federal, State and Local interests to address ESA and Clean Water Act (CWA) issues in watershed basins and sub basins.

We are hopeful the RCPP will continue to allow districts and other agricultural water suppliers to partner with farmers to address regional water quantity and quality issues in local watersheds. It is our belief that water supply issues in Oregon and elsewhere in the nation can be resolved best at the local level, in cooperative partnership efforts that promote conservation with a more aggressive federal funding partnership as defined in RCPP.

Examples of Successful AWEPP Projects in Oregon

Oregon has had several successful AWEPP applicants over the past several years, three from our member districts (described below).

- 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.

Small Watershed Rehabilitation Program and Watershed Planning Needs

OWRC also strongly supports the Small Watershed Rehabilitation Program. One of our members, Sutherlin Water Control District (SWCD) has two dams that were built under PL-566. Both dams are reaching 50 years old and while they were built to seismic standards 50 years ago, they are no longer up to par. In 2010, SWCD received \$40,000 (\$20,000 for each dam) for a needs assessment study that determined that both dams are high hazard and in immediate need of retrofit and repair. The two dams are in such desperate need of repair that they are numbers 1 and 2 on Oregon NRCS' priority list for funding. A more thorough seismic study is needed to determine how to bring the dams up to code, but it is important to note that even a small earthquake (less than a 2.0 on the Richter scale) has the potential to damage the dams severely enough to cause breaches, flooding and damaging property and resources in the surrounding area. NRCS needs significant funding so it can address its high priority dams, like the ones in the SWCD. A minimum of \$250 million dollars in funding is needed for NRCS to address and repair high priority dams, like the ones in the SWCD. It would also be beneficial if the program was given flexibility to include piping and water conservation projects that have multiple environmental, farming and safety benefits.

OWRC also reiterates requests made in previous years that the "Bridging the Headgates" MOU be reactivated and expanded to include other federal agencies. 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 historic 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 2015 budget for the U.S. Department of Agriculture.

Sincerely,
April Snell
Executive Director