WATER CONSERVATION AND THE FARM BILL

Protecting Working Lands in Arizona and the Colorado River

2018 FARM BILL PROVIDES NEW OPPORTUNTIES FOR ARIZONANS

Recent changes in 2018 Farm Bill programs provide new opportunities to substantially reduce losses and conserve water through voluntary incentive measures that, if fully utilized, are essential to ensuring sustainability of the Colorado River. The next step is connecting Farm Bill funding with Arizona producers to help facilitate innovative projects to lessen the supply and demand imbalance that exists on the river and provide long-term water security for our state.

The 2018 Farm Bill is a five-year program that remains in force through 2023. The current program has more authorities and flexibility to address western producers' struggle with drought than any prior farm bill. Furthermore, the Conservation Title of the **Farm Bill can help alleviate impacts from two decades of drought by providing \$6 billion annually** to help producers conserve natural resources while maximizing agricultural production.

Farm Bill funding is available to a wider set of entities in the West than it was in the past. For example, prior to the 2018 Farm Bill, only farmers could access EQIP funds from what had been a \$1.75 billion program. In the West, the irrigation water delivery systems are often owned collectively or by a third party, making them ineligible for this type of water conservation funding. The 2018 Farm Bill changed that by allowing irrigation districts or associations to hold EQIP contracts. The program will also increase to \$2 billion by the end of the five-year term.

WESTERN RESOURCE ADVOCATES IS HELPING TO CONNECT PEOPLE WITH FUNDING AND PROGRAMS

At Western Resource Advocates, we understand the importance of strategies to help secure water supplies, implement more efficient irrigation technologies, and increase resource conservation and environmental benefits. Moreover, we're committed to finding solutions to improve water management for agricultural producers, help revitalize the health of the Colorado River, and protect the western way of life for generations to come.

COLORADO RIVER PROVIDES CRITICAL WATER SUPPLIES

The Colorado River is a vital resource and economic engine for the entire country. The river supplies drinking water to about 40 million people, irrigates 4.5 million acres of farmland (USBR, 2012), supports 16 million American jobs and annually generates \$1.4 trillion in economic benefits (James, et al., 2014). Commonly referred to as America's hardest-working river, the Colorado River today is at risk due to a number of factors, including over allocation, a growing population, and hotter and drier climate trends that are projected to result in flow declines over the next few decades.

Arizona and the West have continued high risk of ongoing drought, as measured in March 2020 by the U.S. Drought Monitor. In the last two decades alone, River flow has decreased almost 20%. This poses a major threat to the Colorado River, and is especially challenging for farming activity, which consumes more than 70% of Colorado River water to provide food. Drought is the single largest cause of U.S. farm production losses, accounting for 40% of total crop insurance payments, averaging \$4 billion annually (Wallander, et al., 2013). In addition, substantial water is lost to conveyance from its source to fields.

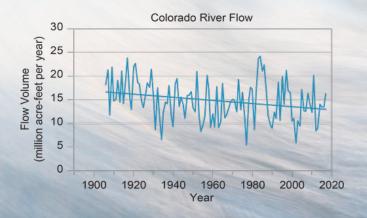


FIGURE 1. Annual flow volume measured at U.S gauging station at Lees Ferry. USGCRP, 2018: Impacts, Risks, and Adaptation in the U.S.: Fourth National Climate Assessment, Vol II.



NEW FARM BILL OPPORTUNITIES AND PROVISIONS



Environmental Quality Incentives Program (EQIP)

- Provides for higher incentive payment rates of up to 90% of costs for high-priority practices (e.g. advance drought mitigation or declining aquifers); previously only offered to beginner, veteran or underrepresented farmers.
- Establishes Conservation Incentive Contracts that allow funding for proposals to transition to water-conserving crops, crop rotation and deficit irrigation practices.
- Funds irrigation districts and ditch companies to improve off-farm irrigation water delivery infrastructure. For the first time, infrastructure shared among producers is eligible for funding.

Regional Conservation Partnership Program (RCPP)

- Connects partners with producers and private landowners to design and implement voluntary conservation solutions on a regional or watershed scale.
- Eligible partners include: ag producer associations, farmer co-ops, state or local governments, American Indian tribes, municipal water treatment entities, water and irrigation districts, conservation driven NGO's, and institutions of higher education.
- Authorizes in-kind match contributions from partners.
- Now functions as a standalone program, allowing producers to apply independently rather than as a component of other Farm Bill programs and eliminates fund tracking by NRCS.
- Partners are able to contract between the NRCS and producers through new program contracts.
- RCPP program now funded at \$1.5B over the five-year life of the 2018 Farm Bill.

Watershed Protection and Flood Prevention Act: PL-566

- Supports state and local entities to implement agricultural water management activities including flood
 protection, erosion control, irrigation, groundwater recharge, water quality improvement, and agricultural and
 rural community water supplies.
- Advances conservation on- and off-farm, on public lands, and addresses environmental needs such as stream and riparian restoration.
- New provision waives "watershed plan" requirement if former planning document exists.
- Funds can be used as match in RCPP projects.
- Firm fixed-funding of \$50 million annually was provided for the first time in the Conservation Title. This is in addition to congressionally appropriated funding, which recently has been \$150 million, with \$175 million appropriated in the FY20 spending bill.

Arizona Growers Take Advantage of New Authorities

- During 2019, Arizona state and local entities received awards for five PL-566 program-funded projects. These
 projects implement a variety of measures to update infrastructure, improve soil erosion, reduce flooding, slow
 runoff, increase groundwater recharge and enhance riparian and wildlife habitat (<u>PL-566 projects</u>).
- In April 2020, the NRCS announced the first RCPP awards under the new 2018 Farm Bill. Two projects in Arizona
 focus on helping producers implement conservation and improve irrigation efficiencies, soil health, and drought
 resiliency (RCPP projects).

