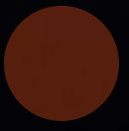
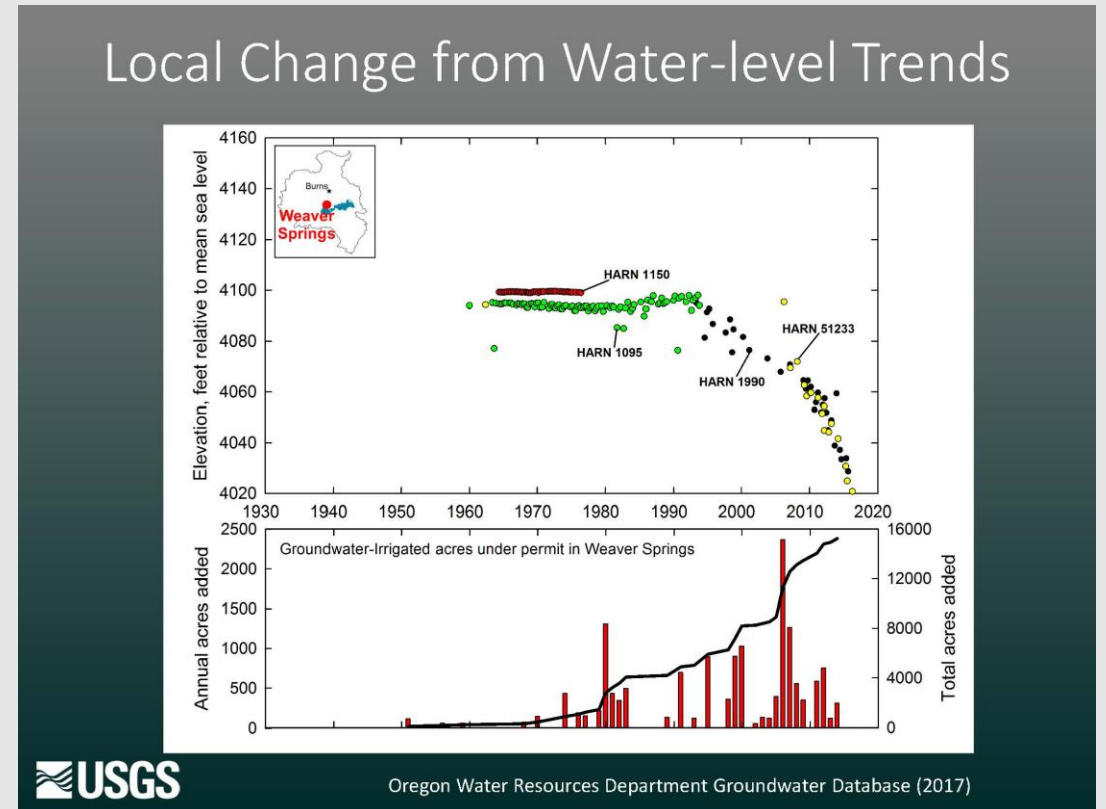
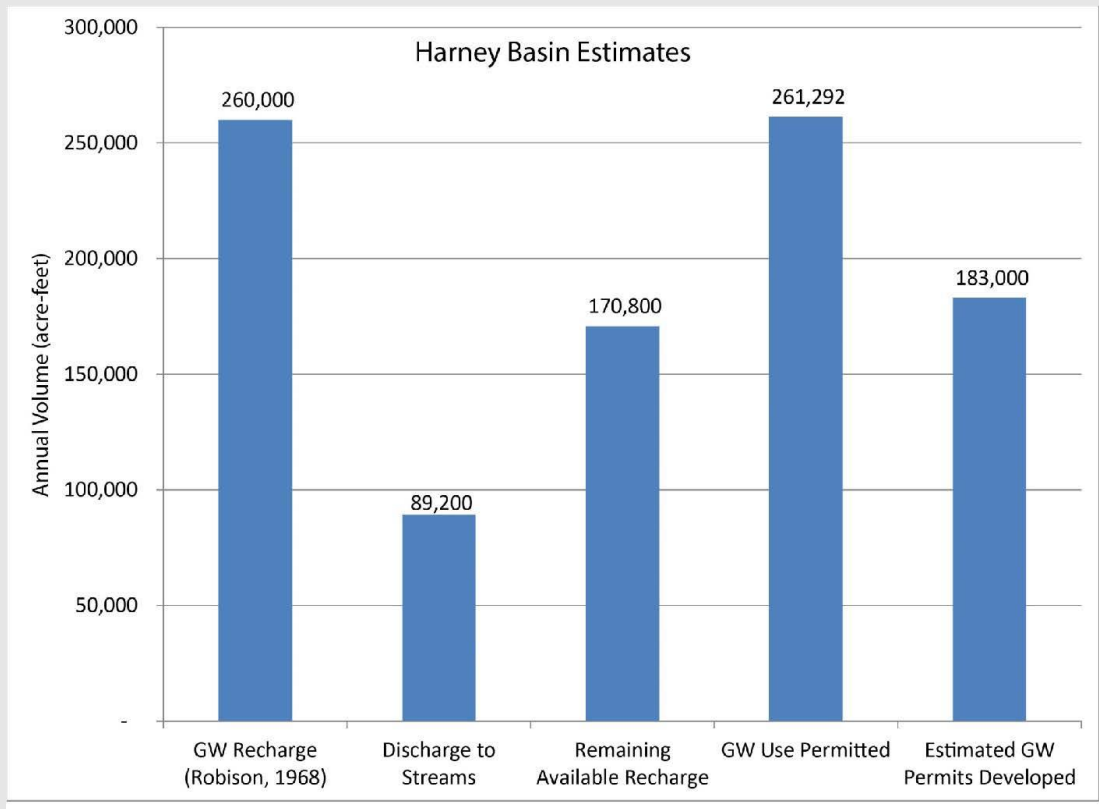


REDUCING
GROUNDWATER
THROUGH INCENTIVES

HB 2257



The Need to Reduce Groundwater Use Is Clear





The Community-Based Collaborative has Focused on Groundwater

- More than 70 Strategies developed in 2 “Community Summits”
- Looking at all effects:
- Social, Economic, Ecological
- Early attention to address domestic supplies
- Early effort to improve irrigation technology

A Variety of Approaches to Reduce Use



01

Improved
Irrigation
Technology

02

Water Market
with Reducing
Allocations

03

Alternative
Crops

04

Voluntary
Agreements

05

Water Right
Purchases

06

State
Regulation



The USDA CREP Program

01

Used in 6 areas to provide groundwater conservation incentives

02

Federal funds 70% of total costs for agricultural conservation actions

03

Only way to reduce the number of water rights in the basin

Other Groundwater CREP Programs

- **East Snake River Plains Aquifer**

- Idaho

- **Ogallala Aquifer**

- Nebraska

- Kansas

- Colorado

- **Rio Grande Aquifer**

- Colorado





CREP Authorized in 2018 Farm Bill

- **Previously the program had been developed through Federal Regulation**
- **2018 Farm Bill provides Federal Statutory authority**
- **USDA pays 70% of the program costs, Non-Federal match of 30%**
- **Program implemented through agreement signed by the Governor and Secretary of Agriculture**
- **Farm Service Agency is the Administrative Agency**
- **NRCS provides technical assistance**

Why a Groundwater CREP in Harney Basin?

- **The basin is overallocated by more than 100,000 acre-feet/year**
- **The agricultural economy of the County is significantly dominated by either cattle production or alfalfa production from groundwater irrigation.**
- **Access to groundwater for irrigation is the basis for much agricultural investment.**
- **In 2016 OWRD designated the Greater Harney Valley Groundwater Area of Concern and halted the issuance of new permits for groundwater in the area.**
- **Only by designating a “Critical Groundwater Management Area” can OWRD regulate groundwater use, and then only “junior” users”.**
- **Creating an incentive for groundwater users to voluntarily cancel their water rights can alleviate some of the pressure on the basin in a manner that reduces the economic disruption to the community.**

What Is Being Considered for a Harney Valley Groundwater CREP?

- **Goal of 20,000 acre enrollment with the potential to reduce groundwater use by up to 50,000 acre feet/year.**
- **Only accept enrollment of fields that are documented to use at least 2 acre-feet/year of groundwater for at least 4 out of the 5 years.**
- **Cost share payment for establishment of a permanent cover.**
- **Added incentive payment for protecting groundwater dependent ecosystems (springs)**
- **State payment for voluntary cancellation of the water right**
- **15-year Federal annual conservation payment for conversion to permanent cover.**
- **Grazing option as a mid contract measure**
- **Potential to convert irrigation well to a stock well.**

Does this solve the Harney Basin Groundwater Problems?

No, however it adds an incentive that could help other approaches.



Regulation in areas of significant groundwater decline remains a high likelihood.



Domestic well users continue to need relief.



State investment in incentives are a more sound investment than in litigation.

What HB 2257 Does

- **This bill provides the critical staff support for OWRD to ensure that groundwater savings result from the program.**
- **This bill provides seed funding for the non-federal match required for the program.**
- **This bill provides a start to reducing conflict in the basin over groundwater use and shows a recognition that groundwater is an Oregon issue not just a local issue.**