

Kansas Farm Bureau
POLICY STATEMENT

Senate Ways and Means Committee

**Re: Senate Bill 435 an act concerning water, establishment of
conservation reserve enhancement program**

February 21, 2012

Submitted by:

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Director of Natural Resources

Chairperson McGinn and members of the committee, thank you for this opportunity to provide testimony today on Senate Bill 435 creating the Kansas CREP program. I am Steve Swaffar, Director of Natural Resources for the Kansas Farm Bureau. KFB stands in support for SB 435.

Just as KFB testified in 2007, our organization believes irrigated crop production from the High Plains aquifer is in jeopardy from declining water levels in the aquifer; the drought of 2011 has made that all the more clear. KFB believes CREP can help slow the process of aquifer decline in targeted areas by permanently retiring water rights; allowing irrigated production to be extended for a longer period of time in the region, just on fewer acres. KFB also believes a voluntary program like CREP may reduce the need for regulatory or court ordered action.

Over 11,000 acres and 22,000 acre feet have been enrolled in the program already. The owners of those acres and water rights are receiving CREP payments now that can help cushion the economic losses to the region if water shortages limit irrigation. Additionally, many of the acres enrolled are extremely sandy soils that are being reestablished to native vegetation that can eventually be used for livestock grazing and to minimize wind erosion. Without the provision to allow water use for vegetation establishment, these soils might simply blow away and never be established for any type of production.

Although there are forecasted economic impacts from implementation of the CREP program, they may be far less severe than allowing the water to simply be

used until it's gone, or the more likely scenario of regulatory actions to restrict water use by the Division of Water Resources. Fifteen years of payment under CREP allows some cushion for local economies. If Kansas does not utilize its share of federal CREP dollars, they are not saved; they're simply transferred to another state CREP and bypass the pockets of Kansans.

Continuation of the CREP program is an opportunity for water rights holders to make a decision about the property right they control. Since CREP is a voluntary program, water rights holders have the opportunity to make the decision to enroll if CREP fits the needs of their operation now and in the future. They can weigh all of the factors that impact them like commodity and input prices, productivity of the well, the likelihood of regulation of their water right, future generation's abilities and desire to continue farming with irrigation, and others. Clearly CREP is not for everyone, but shouldn't those individuals holding the water rights have the opportunity to make that decision?

As many of you will recall, the program Kansas ended up with in 2007 and is proposed in this bill, is modified from the original proposal. The acreage cap set at 40,000 acres was originally proposed for 100,000 acres; and the provision in Section 1 (d)(2) that requires a 2 for 1 acreage exchange for enrolled acres going into CREP, was not in the original proposal. These items were concessions made to opponents of the program. If SB 435 is an opportunity to examine the current success of CREP and make improvements to the program, then we encourage the Committee to reexamine the original proposal as a possible improvement.

CREP is an opportunity for local farmers and ranchers to be a part of a targeted solution to declining water levels while at the same time helping delay or avoid regulation, and bring some recovery of losses to the economy. Thank you for this opportunity, I would be happy to answer any questions.