



**Water Storage Infrastructure
AFBF Policy Development
May 2014**

Issue:

One way to mitigate the effects of drought on all aspects of society is to increase water reserves through water development projects. Yet construction of new reservoirs or other storage and delivery systems is difficult, if not impossible, to move through the various regulatory, legal and resource acquisition hoops.

In light of growing competition for water available for agricultural use, investments in water infrastructure will be key to ensuring the sustainability of future water supplies. Competition ranges from increasing demand from municipal and industrial water users to government wildlife mitigation and land-use restrictions resulting from implementation/enforcement of environmental law requirements. Drought conditions can further exacerbate water availability issues, creating uncertainty for farmers and ranchers dependent on stable water supplies for ag production.

Recent droughts have increased public awareness and federal policymakers' focus on flaws in today's water storage and delivery systems.

Questions:

In light of congressional earmark reforms and growing competition for limited federal appropriations, can states play a more prominent role in the development of future water storage projects?

Understanding that current federal environmental regulations limit development opportunities for large scale water storage projects, does AFBF policy adequately support working for reforms of laws including the Endangered Species Act, National Environmental Policy Act, Clean Air Act and Clean Water Act that would allow for enhancement of water storage systems?

Are current federal water policies (conservation / supply) and disaster assistance policies balanced to achieve necessary investments in future water infrastructure projects?

Is sufficient data available to estimate future water shortages based on changes in water supplies, competition for water resources, and impact of future drought conditions?

Background:

Drought has afflicted portions of North America for thousands of years. Droughts in the 1930s (Dust Bowl) and 1950s were particularly severe and widespread. In 1934, 65 percent of the contiguous United States was affected by severe to extreme drought, resulting in widespread economic disruption and significant displacement of American citizens. From 1950 to 1956, drought plagued the Great Plains and Southwest. In Texas, rainfall decreased 40 percent between 1949 and 1951 with many crop yields reduced by 50 percent.

Recent droughts have plagued farmers and ranchers across the country and have led to disaster declarations in more than 1,400 counties in 2011, 2,245 counties in 2012, and nearly 600 counties in 2013. The current mega-drought affecting the state of California has been recorded as the state's worst since record keeping began in 1895, with an estimated 800,000 acres of productive farmland projected to be fallowed this year as a result.

Technological advances in farm equipment, expansion of the surface transportation system and the development of modern water storage projects revolutionized American agriculture. Increased demands for food, feed and fiber from America's growing population encouraged further regional growth in the west, creating new demands for predictable water supplies.

Large-scale water development projects in the western United States were largely fostered by the passage of the Reclamation Act in 1902, which provided funding for the construction and maintenance of western irrigation projects. Early federal projects constructed included: the Newlands Project (CA/NV), the Yuma Project on the Colorado River (authorized in 1904) and the Klamath Project on the California-Oregon border (1905). Political efforts to create jobs following the Great Depression led to the authorization of numerous large-scale water projects including the Hoover Dam on the Colorado River (constructed 1931 to 1935), Grand Coulee Dam on the Columbia River (1933 to 1942), and Shasta Dam of California's Central Valley Project (1938 to 1945).

The remainder of today's major water infrastructure was developed in the post-WWII era, with both state and federal Reclamation projects and expansion of existing facilities continuing into the early 1970s. The feasibility of future federal water development projects declined primarily in response to several environmental laws being passed in Congress, including the National Environmental Policy Act in 1969, the Clean Water Act in 1972 and the Endangered Species Act in 1973.

Compliance with federal environmental regulation, heightened pressures from competing societal interests stemming from an often uninformed population, and a growing environment of litigation have significantly slowed the development of new large-scale federal water storage projects and modernization of existing infrastructure.

Farm Bureau Policy:

548 – Water Use

Line 1 - Water is one of our most vital resources. We support the construction of water storage, funding of water conservation and efficiency programs, the streamlining of permitting of storage projects and state and federal cooperation in building multi-use water systems anywhere feasible consistent with state water laws.

Line 2 - More attention should be given to the long-term effects of such plans, such as the advantage of building structures of sufficient strength to take care of likely future agricultural water needs.

Line 13.2.3. - [Watershed Programs - We oppose] The Federal Government changing the historic priorities and uses of water storage reservoirs.

439 – Taxation

Line 6.1.5. – [Depreciation, Expensing and Deductions – We support] Allowing water storage reservoirs built for irrigation and the cost of land leveling for water conservation to be depreciated over a four-year period.