

## MINUTES OF THE SENATE NATURAL RESOURCES COMMITTEE

The meeting was called to order by Vice-Chairman Ralph Ostmeyer at 8:35 a.m. on March 8, 2007, in Room 423-S of the Capitol.

All members were present except:

Chairman Carolyn McGinn- excused

Tim Huelskamp- excused

Committee staff present:

Raney Gilliland, Kansas Legislative Research Department

Emalene Correll, Kansas Legislative Research Department

Art Griggs, Revisor of Statutes Office

Judy Holliday, Committee Assistant

Conferees appearing before the committee:

Fred A. Cholick, Dean and Director, College of Agriculture and K-State Research and Extension

Others attending:

See attached list.

Vice Chairman Ostmeyer asked the Committee members to look over the minutes of the March 1 Committee meeting for approval at the end of the meeting.

Vice Chairman Ostmeyer noted that copies of the amendments and related information by Senator Huelskamp on **SB 123, Establishment of upper Arkansas river conservation reserve enhancement program (Attachment 1)**, were distributed to Committee members.

Fred A. Cholick, Dean and Director, College of Agriculture and K-State Research and Extension, distributed a booklet on the programs offered through the College of Agriculture and Research and Extension (On file in Room 222-E) and a map of water projects (Attachment 2) to each Committee member. Mr. Cholick referenced the booklet, "An Informal Report to the Kansas Legislature" and told the Committee he would be using the booklet as a context for his update.

The K-State Research and Extension includes statewide county and district extension offices, research centers, and experiment fields supported by county, state, federal and private funds. Research conducted on-campus and at off-campus facilities is shared with Kansas citizens through meetings, field days, publications, Web sites, news releases, radio and television.

Dean Cholick told the Committee the mission of the K-State Research Extension focuses on five themes: Natural Resources and Environmental Management; Healthy Communities—Youth, Adults and Families; Safe Food and Human Nutrition; Competitive Agricultural Systems; and Economic Development through Value-Added Products.

As a land-grant university, the State of Kansas accepted the relationship with the federal government for funding for the development and application of new knowledge to the citizens of the state. Dean Cholick told the Committee that every state has an experiment station, a cooperative extension, and a "grassroots" or county agent system. The state has about 2400 citizens that serve on either development committees or state boards that set the local programs.

Within K-State Research and Extension there are a number of institutes or centers, one of which is the Kansas Center for Agriculture Resources and Environment (KCARE). This institute studies environmental issues and the natural resources of water, soil and air. Dean Cholick told the Committee that these resources are vital not only to agriculture, but to the economic viability of the state and to the world.

Dean Cholick specifically wanted to address the Committee about the Watershed Restoration and Protection Strategies (WRAPS) and emphasize the water resource. He stated that this is a unique approach because it takes a look at the watershed level. He discussed 'strategies,' which is to collect stakeholders within the watershed, hold public meetings, and let the public determine what they want to address in the watershed.

## CONTINUATION SHEET

MINUTES OF THE Senate Natural Resources Committee at 8:30 a.m. on March 8, 2007, in Room 423-S of the Capitol.

The process would include determining the priority, assessing the wealth (water), setting a goal, and determining the cost.

Dean Cholick told the Committee that present WRAPS programs have a total of 22.9 million acres in development, or 43% of the state. The funding for the project is from the Kansas Water Authority through the Kansas Department of Health and Environment for approximately \$800,000, plus an additional request through the State Conservation Commission for \$821,000, and local input which varies from one area to another. With regard to federal grants, Kansas ranks fifth in the nation for these types of grants.

A specific example of the accomplishments of the WRAPS program include the area of water quality. Animals often drink from streams, contaminating the water with waste. Separation of the animal water from the riparian zone, typically a wooded area that is situated by a stream, significantly improves the quality of water and reduces sedimentation and erosion along the streams. By moving the winter feeding area for cattle from along streams, the sediment load is significantly reduced. Dean Cholick mentioned the Little Ark Project which deals with the water projects for the City of Wichita. He told the Committee that "Best Management Practices" are used in the 6,000 acre collection area for the City of Wichita, mainly by reducing sediment load, nutrient load, and pesticide load through filtering and other mechanisms.

Dean Cholick mentioned the partners involved in the WRAPS program: Kansas Water Authority; Kansas Department of Health and Environment; Kansas Department of Agriculture; State Conservation Commission; Kansas Livestock Association; Kansas Rural Center; Kansas Farm Bureau; and the citizens of Kansas. On the national level: National Research Conservation Service; United States Geological Survey; Environmental Protection Agency-Region VII.

Dean Cholick stood for questions. Senator Wysong asked for information on flood control on the Marais Des Cygnes River, and Dean Cholick deferred to Joe Fund of the Kansas Water Office, who offered to get the information for Senator Wysong. Senator Taddiken asked who "writes the check" for the project when it's completed. Mr. Fund responded that the Kansas Department of Health and Environment pays for it from funds received from the Environmental Protection Agency.

Vice Chairman Ostmeyer asked for a motion to approve the March 1 minutes. Senator Taddiken made a motion, seconded by Senator Bruce to approve the minutes. The motion passed.

The meeting adjourned at 9:05 a.m.



Senate Bill No. 123  
Proposed New Section

New Sec. \_\_. The state conservation commission shall utilize a competitive bid process for selection of CREP participants based on a dollar amount per acre.

Senator Huel's Kamp

Senate Natural Resources  
March 8, 2007  
Attachment 1



Senate Bill No. 123  
Proposed New Section

New Sec. \_\_. No more than 20% of the acreage in the CREP may be in any one county.

Senate Bill No. 123  
Proposed New Section

New Sec. \_\_. Lands enrolled in the conservation reserve program as of January 1, 2007, shall not be eligible to be in the CREP.

Senate Bill No. 123  
Proposed New Section

Sec. 2. (a) Only water right holders in good standing may participate in the CREP.

(b) To be a water right holder in good standing, the following criteria must be met:

(1) At least 51% of the maximum annual quantity authorized to be diverted under the water right of the water right holder has been used by the holder in three of the most recent five years;

(2) in the last 10 years the water right holder shall not have exceeded the maximum annual quantity authorized to be diverted under the water right of the water right holder; and

(3) the water right holder has submitted the required annual water use report as required by K.S.A. 82a-732, and amendments thereto, for the most recent 10 years.

Senate Bill No. 123  
Proposed new section

Sec. 2. The state conservation commission shall submit a CREP report annually to the senate committee on natural resources and the house committee on agriculture. Such report shall contain a description of program activities and shall include:

- (a) The total water savings for each year from the CREP;
- (b) the acreage in the CREP;
- (c) the dollar amounts received and expended for the CREP;
- (d) the economic impact of the CREP; and
- (e) such other information as the state conservation commission shall specify.



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New Sec. . No land in the CREP shall be in an area designated as an intensive groundwater use control area pursuant to K.S.A. 82a-1038 and amendments thereto after July 1, 2007.

**Below are responses to Senator Huelskamp's questions from the Kansas Water Office, unless otherwise noted. February 9, 2007.**

### **Questions on the Proposed CREP**

1. Will the state or federal government prioritize applications based on seniority of the water right?

No; the eligibility criteria is for an irrigation water right that is in good standing and meets the minimum use criteria (both federal and state).

2. Will applications be considered on the basis of their environmental, conservation and/or wildlife impact?

The entire CREP program considered the impact (positive and adverse) to the environment, conservation and wildlife. There are bonus payments for wetland development, riparian and buffer strips, and a few other conservation practices to provide further incentive for enrollment.

3. Will water rights be paid for based on a bid process? If not, why not since Conservative Reserve Program contracts are already normally handled this way?

CREP is managed like the continuous CRP; a producer can walk in and apply at any time during the enrollment period. It is not a bid process. The Farm Service Agency explained that CREP, like acres targeted in a continuous CRP, are considered to have benefits that go beyond that particular acre. For example, a filter strip is a small acreage, but has a large impact on the watershed. For that reason, a set price is offered, and if it is more than it might have cost in a bid process, it is worth it for the larger benefits to the region.

3. What is the projected water savings for the CREP proposal?

An estimated 148,500 acre feet annually, with full enrollment.

4. What is the projected cost for each acre foot of the projected savings?

There are a couple ways to consider this cost. The actual new state dollars proposed is \$6,905,000. This amount is the \$5 million in payments, the State CREP coordinator, and the well plugging. The other state costs identified are spent with or without CREP. Considered on a per acre foot basis:

$$\$6,905,000/148,500 \text{ acre foot} = \$46.50/\text{AF}$$

The federal cost (at net present value) and the actual state costs per acre foot:  
 $\$113,042,930 \text{ (federal)} + \$6,905,000 \text{ (State)} / 148,500 \text{ AF} = \$807.73/\text{AF}$

A third way to consider the cost is recognition that each acre foot dismissed is in perpetuity. Typically, including in other studies by Kansas State University, this is considered a 50 year benefit. The annual cost over that benefit period can be considered as:

$$148,500 \text{ acre feet} * 50 \text{ years} = 7,425,000 \text{ acre feet}$$

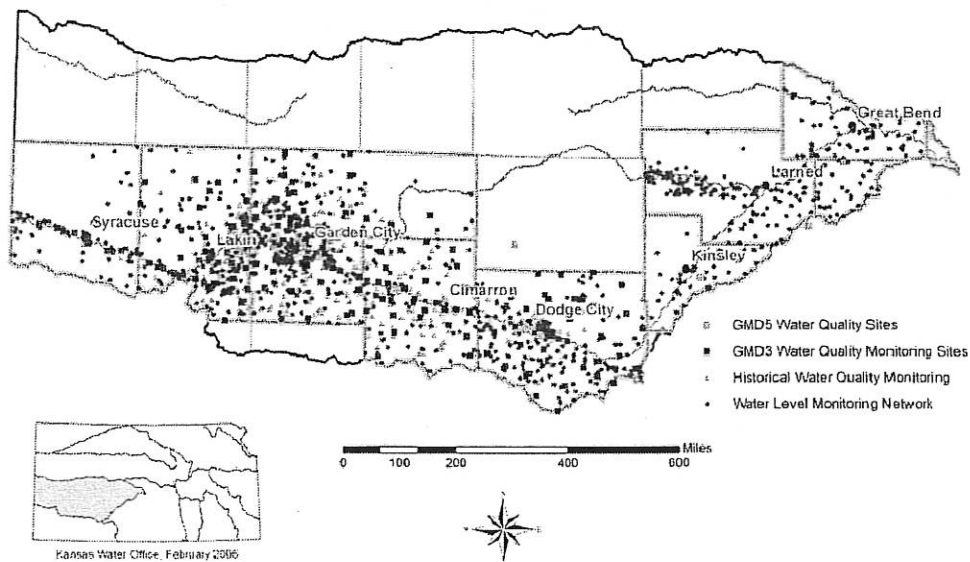
$$\$113,042,930 \text{ (federal)} + \$6,905,000 \text{ (State)} / 7,425,000 \text{ AF} = \$16.15/\text{AF}$$

6. How will the state ensure there will be any water savings?

A completed and approved water right dismissal form must be on file with DWR and copied to the FSA state office and SCC prior to the producer receiving the state incentive payments. Prior to FSA issuing payments, they will have received certification of the practice having been implemented by NRCS after an on-site review or a certification of practice signed by the producer. Additional measures will be taken throughout the life of the contract to measure and monitor the progress toward program objectives, particularly the retirement of water rights.

Collection and analysis of annual water use reports by DWR will provide data on the quantity of water pumped for limited irrigation in the first year or two of enrollment while grass is being established. The reports will be used to compare pumping quantities before enrollment, during the limited irrigation period, if any, and ultimately full retirement of the water right. Improvements to the aquifer condition will be assessed by comparing water level measurements in the years following enrollment to the historical record for that area. GMD3 and GMD5 are also committed to ensuring compliance with the CREP contracts and will provide periodic field checks on enrolled acres. All wells are required to be metered.

**Upper Arkansas River  
Conservation Reserve Enhancement Program (CREP)  
Water Quality and Water Level Monitoring**



Water levels have been monitored at least annually at numerous locations in the CREP counties. The figure above includes the locations of historical water level measurements in the area. GMD5 obtains water level measurements from 25 wells in the CREP area. Annual measurements are collected from 14 of these wells and quarterly measurements of 11 wells are planned to continue.

A reduction of up to 100,000 acres of land from irrigation will result in a net saving of water as estimated, because crop production is what consumes water. Other existing water users, who do not enroll in CREP are not expected to increase their water consumption because they will be limited by their water rights (quantity, rate of diversion and acres that can be irrigated) and the physical capacity of the wells and aquifer. While the CREP will slow or stop the water level decline in the CREP, depending on the location, it is not expected to result in any significant increased capacity of existing wells. As a result, actual water consumption for crops should not increase by other users on the remaining irrigated acres in the CREP, because of these restrictions and because water consumption is basically limited by the amount of water needed to produce the crop. That does not mean a change in crop type and distribution, which can occur with or without the CREP, would not impact water use to some degree.

7. The Division of Water Resources just granted a number of 10-year term permits? Were these done in a closed area? (response from KDA-Division of Water Resources)

The area in question was not closed when the applications for these permits were filed. As a result of an appeal and the record from a hearing process, four "term" type permits were issued in the Bucklin area with special monitoring conditions to better deal with impairment concerns in the area, which is now a closed area in GMD 3.

- 8 a) How many wells in the proposed CREP area have been overpumping? (Response from DWR)

We do not have this information, as the CREP area has not been specifically targeted for the Blatant Recurring Overpump (BRO) program. However, we have implemented the BRO program in parts or all of GMD 3 and GMD 5, which does include the CREP area.

- b) What action has been taken against these water right holders? (Response from DWR)

As part of the BRO Program, if a water right has been determined to have been overpumped based on the previous year's water use report, we conduct a field check to determine if the right is overpumped again (recurring) and test the meter. We then conduct a technical assistance meeting with the water right owner(s) to verify information and provide the water right information. Many

owners in this program do not understand their legal limits. Compliance orders are issued requiring working meters and monthly water use reports. We have suspended water use and more recently assessed civil penalties for repeat overpumping. DWR has taken on as many cases as staff time would allow.

9. a) The Division of Water Resources has stated there were more than 450 overpumpers in 2004. (Response from DWR)

There were 452 "potential" cases of overpumping in the Garden City Field Office area based on an initial screening of 2003 water use data, comparing reported water use to authorized quantity. Further analysis of this initial screening is required to sort out water use among overlapping water rights. In addition, these 452 cases include situations with bad meter data, bad reported water use data, as well as actual overpumpers. The initial screening number also includes any amount overpumped greater than 0.001 acre-feet.

- b) How much water was overpumped by these water right holders? (Response from DWR)

Without quality checked data we do not have an accurate amount that is actually overpumped for these 452 cases, because we did not have sufficient resources to include them all in the BRO program. Our experience has been that bad meter data and/or inaccurate reported data must be verified to determine if there is actual overpumping. However, in order to provide an estimate of potential overuse, the following is quality checked data for the amount of water use in excess of the "regional standards" of water use. This is based on screening for 1.5 acre-foot per acre for central Kansas and 2 acre feet per acre for western Kansas, respectively. While not everyone exceeding these numbers has illegally overpumped, it would likely include that type of over use. The amount used in excess of these standards is 8351 acre-feet out of a total of 1,525,636 acre feet pumped by 10,007 points of diversion in GMD 3 and 2780 acre-feet out of a total of 464,480 acre feet pumped by 4,520 points of diversion in GMD 5 in 2005, or about ½ of 1 percent of the total use.

For GMD 3, about 33% of the total wells are in the CREP area. Prorated, potentially 2756 acre-feet was pumped in excess of 2 acre-foot per acre.

For GMD 5, about 24% of the total wells are in the CREP. Prorated, potentially 667 acre-feet was pumped in excess of 1.5 acre-foot per acre.

As a result, potentially up to 3423 acre-feet could have been over pumped in the CREP. Again, not all of this may have actually been diverted in violation of the authorized quantity of the water right. For example, some water users may have exceeded the regional standard by putting more water on a portion of the authorized land to grow a crop like alfalfa, but still stayed within the water right amount.

c) Please provide similar data for 2005 and 2006. (Response from DWR)  
Using the same query which resulted in 452 cases in 2004, there were 159 potential cases of overpumping in 2005. We do not have 2006 data yet.

10. Will overpumpers be prohibited from the program?

The program requires the water right be in good standing. That designation is a determination by the Division of Water Resources.

11. Isn't lack of enforcement by the Division of Water Resources regarding overpumping in direct conflict with the policy goal of saving water via CREP? (Response from DWR)

The goal to reduce water use is consistent between the CREP program and DWR's enforcement. However, DWR does not have adequate staff to deal with every potential overpumping situation in the state so it has set priorities during the last several years based on the most serious cases, targeted water short areas and some random samples of water rights. The CREP may be targeted in a future year or years.

12. Can all of the CREP payments go to a couple of counties or is there a mechanism to prorate the signing up of water rights?

Each county has a limit of 25% of the cropland that can be enrolled in any CRP program. All the counties have acres enrolled in CRP, and Hamilton is currently over the cap, so will not be eligible until acres come out of contract in the next 2 to 5 years. Within the acreage caps, landowners can apply for contracts with eligible acres within the CREP boundaries. The apportionment by counties was discussed with SCC and FSA, but it was decided that a massive enrollment rush was unlikely (particularly with the current commodity prices) and didn't justify the great deal of complexity county apportionment would add.

USDA also caps the amount an individual may receive in CRP payments in a single year to \$50,000. Depending on the irrigation rates, an individual would be limited by that cap to enrolling only 2 or 3 whole fields in the CREP program.

13. What is the current market price for the cropland in the targeted area? (see comment below)

14. What is the current market price for water rights in the targeted area?

We have sought information on the current irrigated land cash rents, not the land purchase or water right purchase prices. There isn't a single agreed upon number for land rents. However, we've gotten a range of values from a survey of Kansas Bankers Association, Farm Service Agency county directors, National Agriculture Statistic Service, producers in the counties, and input from

Kansas State University ag economic professors. The irrigated rental rate that is ultimately set will be through a committee organized by the Farm Service Agency. When dryland rental rates were set, the committees included county FSA directors, ag bankers, real estate personnel, and others knowledgeable on the area rental rates.

15. The Kansas State University economic study concluded that the CREP program would have devastating economic impacts. Is the study accurate? If not, please explain why.

The economists at KSU did a professional, credible job on the economic modeling. There are many uncertainties in these types of economic projections, particularly when it goes out for 30 years. That is well known just from looking at past projections, and seeing what really occurred. It is important to keep in mind that the study did not evaluate the economic impacts of reduced irrigation due to aquifer declines and/or possible regulatory action. This study was of the potential economic impact of providing incentive payments for enrollment of cropped acres in comparison to 2003 status quo, a condition we know will not continue.

An additional consideration that the KSU study did not incorporate is the offsetting value of CRP acres coming out of contract, and possibly back into production. There are currently over 300,000 acres in the 10 CREP counties that have CRP contracts that expire in the next 2 to 5 years. KSU ag economic professors indicated that historically 50% of acres that come out of CRP go back into production. With current commodity prices, that level may rise to 80%.

Based on the value given to dryland corners from whole fields in the KSU CREP study, the dryland revenue was considered to be \$515,370 on 15,020 acres (Table 6, Direct Annual Economic Impact Associated with CREP and Return to Dryland Farming, 2003\$; from *Regional Economic Impacts of Implementation of the CREP in the Kansas Upper Arkansas River Basin*, by J. Leatherman et al, April, 2006). Based on this relationship, the value of 50% to 80% of these acres returning to dryland production is \$5.1 million to \$8.2 million.

16. What state agencies, federal agencies, local agencies and any non-governmental entities have been involved in designing, negotiating, or lobbying for CREP in Kansas?

Groups involved in the development of the CREP proposal:

Kansas Water Office, State Conservation Commission, Farm Service Agency, Kansas Department of Agriculture, Kansas Department of Health and Environment, Kansas Wildlife and Parks, Kansas Forest Service, Southwest Kansas Groundwater Management District #3, Big Bend Groundwater Management District #2, Kansas Water Authority, Kansas Farm Bureau, Kansas



Livestock Association, Kansas Grain and Feed/Kansas Agriculture Retailers Association, Kansas Cooperative Council.

(Note: although KGFA/KARA and KCC were included in the group meetings on the development of the CREP, they are not supporters. There are also supporters that were not involved in the development of the proposal.)

Other groups involved in discussions during the development of the CREP proposal: Kansas State University, Kansas Association of Conservation Districts, Kansas Corn Growers, Kansas Soybean Association, Natural Resources Conservation Service, Edwards County Economic Development, National Wildlife Turkey Foundation, Arkansas River Coalition, Ducks Unlimited, Great Bend Convention and Visitors' Bureau, Kansas Rural Center, Pheasants Forever/Quail Unlimited, Cheney Lake Watershed, Wheatland Electric, Sunflower Electric, Kansas Water Congress, the Arkansas River Litigation Funds Committee. In addition, presentations on the proposal were made at nine of the ten CREP county commissions, and three stakeholder meetings (Garden City, Dodge City, Larned).

The three negotiation meetings with the Farm Service Agency's national office involved the Kansas Water Office and the State Conservation Commission, plus various mixes of the following: KDA-DWR, KDHE, FSA (state office), GMD3, and Environmental Defense (an organization that has helped many states negotiate with FSA).

17. It is my understanding that CREP has been implemented in Nebraska and perhaps other states. How are these working? Are the projected water savings being realized? Please provide pre- and post-implementation data.

CREP has been implemented in three states for water conservation: Nebraska, Colorado and Idaho.

Nebraska: Enrollment began April, 2005. Currently, just over 43,000 acres out of a possible 100,000 acre program have enrolled. The target areas are the Republican River basin and Platte River basin, with non-use of irrigation water rights. Most of the enrollment has been in the Republican River area. Irrigated rental rates are generally around \$110-\$125/acre, on contracts for 10 – 15 years. They are holding discussions about higher rates for the Platte River area. Due to the regulatory pressure to reduce irrigation water use in the Republican, particularly if the Natural Resource Districts plan to cut allocations, another wave of signups would be expected. Out of 440 contracts, 238 are for ground water rights only. The ground water conserved (based on net irrigation requirements for corn, per acre enrolled) is 28,162 AF on 27,057 acres. The surface water savings are not yet determined, as reports are yet to be generated by the irrigation districts.



Colorado: Enrollment began in June, 2006. Currently, 24,000 acres have been accepted into the program, out of a possible 30,000 acre program. Applications have been made for over 32,000 acres. This CREP requires permanent water right retirement in the Republican River basin. Irrigate rental rates are \$110-\$120/acre, for contracts 14- 15 years in length. There are significant non-federal payments, as well. The local Republican River Water Conservation District (RRWCD) assesses their members' irrigated ground, and provides payments per acre based on the distance from the river, with the highest going to surface water right retirements, the lowest to ground water rights greater than 4 miles away. The RRWCD provides a one time signup incentive payment of \$100 to \$10/acre (depending on distance), and a water right retirement payment (paid 1/3rds in years 5, 10 and 15) of \$600 to \$100 (the rates decline with distance from the river). The State estimates water savings of 1.5 AF/acre. They are in the process of amending the current Republican River CREP to allow an additional 30,000 acres to enroll. They are also beginning a CREP for the Rio Grande basin, where the emphasis will also be on water savings.

Idaho: Enrollment began about August 1, 2006. Currently they have approved 93 contracts on 14,000 acres, in a 100,000 acre program. There are 291 more applications for roughly 40,000 acres to be reviewed. Irrigated rental rates are \$110-\$140/acre. The State provides a \$30/acre signup incentive payment. They have 15 year contracts for non-use of the irrigation water. All the approved contracts have been on ground water rights. They estimate a water savings of 2 AF/acre. Three of the counties for the CREP area are currently prohibited from CREP enrollment, due to exceeding the 25% cropland CRP enrollment cap, and there was frustration on the part of some closed from applying. There have also been problems with a number of applications where the acres irrigated exceed the authorized place of use. Much of the area is under possible regulatory action, pending the outcome of a current State supreme court decision.

**Additional questions from Senator Huelskamp**

Kansas Water Office

Originally submitted February 15, 2007 (Questions 3 and 7 corrected February 28, 2007)

**1. What are current land values in the CREP area?**

Land values range a great deal depending on the location, size of parcel, soil classifications, topography, water right, any outbuildings or equipment in the sale, and other factors. Below is summary table based on appraiser Kansas Society of Farm Manager's and Rural Appraisers data from 1990-2004 (also shown as Table 6-8 in the CREP proposal).

County	GMD	Irrigated	Non-irrigated	Difference between Irrigated and Dryland
Barton	5	\$1,502	\$694	\$808
Edwards	5	\$1,392	\$627	\$765
Finney	3	\$1,351	\$534	\$817
Ford	3	\$1,256	\$566	\$690
Gray	3	\$1,188	\$538	\$650
Hamilton	3	\$979	\$449	\$530
Kearny	3	\$1,127	\$518	\$609
Pawnee	5	\$1,387	\$584	\$803
Rice	5	\$1,378	\$761	\$617
Stafford	5	\$1,631	\$656	\$975

Based on Kansas Society of Farm Managers and Rural Appraisers data from 1990 – 2004, estimated to 2006. The estimated standard deviation of the estimate is \$275 per acre (Golden, 2006).

Banks, Farm Credit and appraisers were contacted for a survey of current valuations, to the extent possible. More recent land sales are provided in the following summary table:

County	Recent sales - ranges
<b>Kearny</b>	\$635/ac (Jan 2004, near river, sprinkler systems) \$957/ac (Dec, 2003, 153 ac with 118 af water right) 1,278/ac (Feb 2004, 163 ac, 770 gpm well) \$1,296/ac (Feb 2004, 153 ac, 770 gpm well)
<b>Finney</b>	\$1200/ac (Sunflower) \$1320 (dairy; valued water right at \$1000 of that total) \$2,200-2,300/ac (near Holcomb w/ vested water right and ditch water right share)
<b>Ford</b>	\$1,440/ac (160 acres, better soils) \$830/ac (sandy soils, 350 gpm wells) \$1,400/ac \$1,100/ac (last year)
<b>Pawnee</b>	\$1,100/ac (near Larned, flood irrigation) \$1,200/ac - \$1,500/ac (near Larned; auctions)

**2. Have there been any recent water right sales in the area?**

In the survey, information was gathered about possible sales of water rights in the area. : Water rights sales are not extensive. Sales figures indicate a value of between \$800-\$1200 per acre foot.

County	Recent water right sales - ranges
Finney	\$1,200/AF (580 AF irrigation to municipal use) Dairy bought 320 acres at \$1430/ac and valued the water right as \$1,000 per acre total price.
Ness	\$797/AF (207 AF irrigation to municipal use)

**3. What are the county caps on CRP by county?**

Below is a clarification of on the acreage cap and number of active acres enrolled in CRP in each of the 10 CREP counties. The Farm Service Agency wants to emphasize that it is a dynamic program and the total cropland acres, as well as active enrolled acres, changes frequently. However, what is presented is the best information they have as of yesterday, February 27<sup>th</sup>.

All counties now have a 25% cropland enrollment cap for CRP program. Hamilton County had a waiver for a higher cap in 1997, and enrolled acres in excess of 25% of the total recorded cropland in the county. Additional acres cannot enroll into CRP in Hamilton until they are under the 25% cap.

The "REX" or Re-enrollment and Extension offers made on FFY2007-2010 contracts allows acres to remain in CRP through the extended contracts, even in Hamilton County which is above the 25% cap.

The table below shows the total FSA recorded cropland and active acres currently enrolled in a CRP program, as recorded on the national database.

County	Total FSA Recorded Cropland Acres	Active Acres Enrolled	Acres Expired FFY07 (9-30-2007)	Percent acres enrolled (10-1-2007)
Hamilton	452,243	136,154	11,380	27.6%
Kearny	398,896	70,507	6,136	16.1%
Finney	599,096	85,719	2,491	13.9%
Gray	488,163	71,076	6,006	13.3%
Ford	543,059	86,259	3,663	15.2%
Edwards	317,936	36,809	2,677	10.7%
Pawnee	398,712	34,034	1,544	8.1%
Stafford	371,908	49,230	8,099	11.1%

<b>Barton</b>	419,781	26,167	3,342	5.4%
<b>Rice</b>	327,991	15,614	603	4.6%
<b>Totals</b>	<b>4,317,785</b>	<b>611,569</b>	<b>45,941</b>	

The owners of CRP contracts that would have expired in FFY 2007 had to decide by last September if they were going to accept the REX offer. The owners of contracts that expire in FFY 2008 – 2010 had until December 30, 2006, to decide if they would accept the REX offer. The National FSA database, from which these numbers were taken, may not be fully updated by the individual counties on the FFY 2008-2010 extensions.

**4. What is the range of the current dryland rental rates?**

These rates have been set by Farm Service Agency for every county in Kansas. The rates for the CREP counties are below (and are on Table 6-4 in the CREP proposal). The total county weighted dryland rate on the 4<sup>th</sup> column was used for a total program cost estimate.

<b>County CREP Area</b>	<b>FSA Dryland Acre Rental Rate</b>	<b>% CREP in County</b>	<b>County Weighted Dryland Rate</b>
Hamilton	\$27.13	3.61	\$0.98
Kearny	\$28.13	19.06	\$5.36
Finney	\$29.33	29.23	\$8.57
Gray	\$31.00	12.06	\$3.74
Ford	\$30.00	12.69	\$3.81
Edwards	\$30.00	8.07	\$2.42
Pawnee	\$31.00	10.88	\$3.37
Stafford	\$35.00	0.16	\$0.05
Barton	\$33.44	3.82	\$1.28
Rice	\$37.29	0.44	\$0.16
<b>Total</b>			<b>\$29.74</b>

**5. How many irrigated acres are currently in CRP?**

There are **13,790** acres enrolled in the CRP that are within the CREP area and have irrigation water rights.

**6. What has been the number of water rights investigated under “BRO” the Blatant and Recurring Overpumpers program, and how much was overpumped in the CREP area?**

The number of BRO participants within the CREP boundaries are shown in two tables by Division of Water Resources Field Office areas, Garden City and Stafford. Note, there are not repeat participants in subsequent years, for example the two in 1999 are different from the 4 in 2000.

**BRO Participants within the CREP Area  
Garden City DWR Field Office**

	<b>Number of BRO Participants</b>	<b>Acre-Foot <i>Potentially</i> Over Authorized Quantity</b>
1999	2	572
2000	4	390
2001	5	459
2002	2	175
2003	13	1120
2004	1	116
2005	2	254
2006	2	195

**BRO Participants within the CREP Area  
Stafford DWR Field Office**

	<b>Number of BRO Participants</b>	<b>Acre-Foot <i>Potentially</i> Over Authorized Quantity</b>
1999	4	167
2000	1	110
2001	0	0
2002	4	220
2003	7	320
2004	24	1508
2005	19	634

**7. What is the average irrigation water use within the CREP area?**

Below is a table of the authorized quantities (AF) and average total reported water use (AF) (2001-2005) for all water rights within the CREP boundaries by tiers and by county. The total average annual use is 729,036 AF.

<b>County</b>	<b>Tier</b>	<b>Authorized AF for Irrigation</b>	<b>Average Irrigation Water Use 2001-2005</b>
<b>Barton</b>	1	20,693	14,856
<b>Barton</b>	2	2,709	1,526
<b>Edwards</b>	1	69,566	47,881
<b>Edwards</b>	2	3,376	2,561
<b>Finney</b>	1	336,685	203,765
<b>Finney</b>	2	118,948	62,258
<b>Ford</b>	1	68,893	44,096
<b>Ford</b>	2	31,718	15,818
<b>Gray</b>	1	160,676	103,165

Gray	2	52,246	26,748
Hamilton	1	28,826	17,120
Hamilton	2	1,494	799
Kearny	1	183,126	116,546
Kearny	2	36,236	16,240
Pawnee	1	70,863	44,537
Pawnee	2	15,851	8,844
Rice	1	204	152
Rice	2	958	737
Stafford	1	1,637	1,389
<b>Totals</b>		<b>1,204,705</b>	<b>729,036</b>

**Additional Information on CREP in response to Senator Huelskamp's inquiries:  
Kansas Water Office, February 28, 2007**

**1. How many irrigation wells and water rights are in the CREP area? Categorize rights by amounts reported used and percentages of appropriations used.**

Percent of Reported Water Use (2001-2005) Compared to Authorized Quantity, Number of Groups in CREP Area by County

	Number of Water Rights	Number of Groups	0-10%	10-20%	20-30%	30-40%	40-50%	50-60%	60-70%	70-80%	80-90%	90% or more
Barton	166	142	8	1	3	3	8	12	16	27	28	36
Edwards	315	279	12		4	6	16	18	48	49	57	69
Finney	1280	865	80	30	47	57	81	87	112	121	142	108
Ford	456	362	73	11	10	25	32	42	47	29	37	56
Gray	532	419	37	19	22	32	30	50	58	56	67	48
Hamilton	127	73	13	4	4	4	7	3	8	12	10	8
Kearny	566	410	45	17	19	36	28	30	38	46	58	93
Pawnee	512	418	22	9	10	9	21	54	64	84	65	80
Rice	4	4			1		1				1	1
Stafford	5	5						1			2	2
<b>Total</b>	<b>3963</b>	<b>2977</b>	<b>290</b>	<b>91</b>	<b>120</b>	<b>172</b>	<b>224</b>	<b>297</b>	<b>391</b>	<b>424</b>	<b>467</b>	<b>501</b>

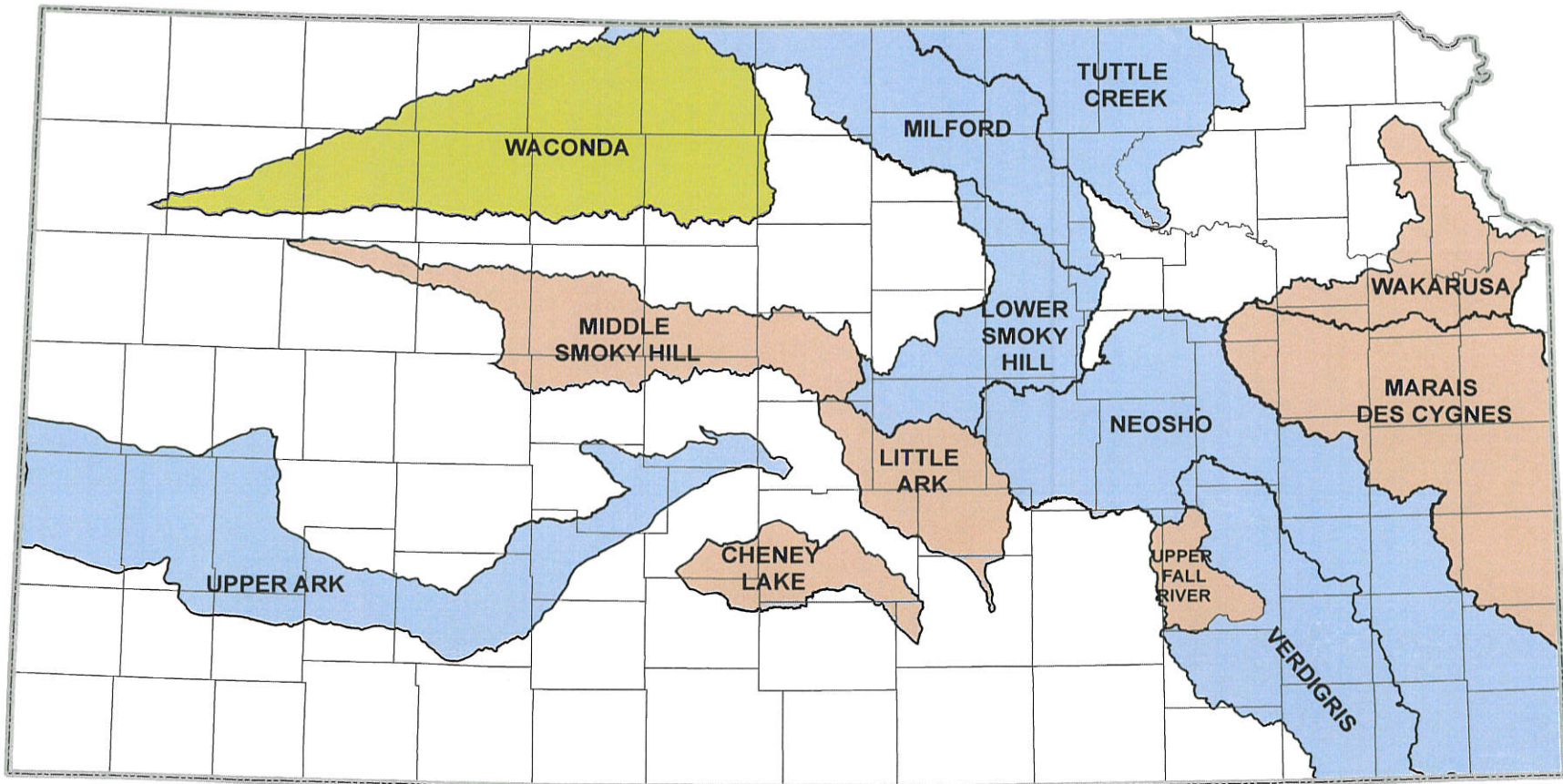
There are 2,342 groups that represent only one water right. A group is one or more water rights that overlap in well and/or place of use.

The totals above represent approximately 5,171 points of diversion.

Average Reported Water Use, Number of Groups in CREP Area by County

	100 AF or less	100-200 AF	200-300AF	300-400 AF	400-500AF	500-600 Af	600-700 AF	700-800 AF	800-900 AF	900-1000 AF	1000 AF or More
Barton	49	81	7	3	2						
Edwards	59	182	21	8	4	2	3				
Finney	141	167	243	88	55	41	27	12	24	31	36
Ford	140	122	70	18	6	2		2	1	1	
Gray	79	110	106	36	27	11	17	11	7	4	11
Hamilton	33	13	4	10	4	2	1	1	1	1	3
Kearny	83	74	102	26	37	26	6	18	12	8	18
Pawnee	105	283	16	9	3			1			1
Rice	2	2									
Stafford		5									
<b>Total</b>	<b>691</b>	<b>1039</b>	<b>569</b>	<b>198</b>	<b>138</b>	<b>84</b>	<b>54</b>	<b>45</b>	<b>45</b>	<b>45</b>	<b>69</b>





 Development Projects       Assessment Projects       Implementation Projects

# WRAPS Projects With K-State Involvement