























May 16, 2007

The Honorable Tom Harkin Chairman Committee on Agriculture, Nutrition and Forestry United States Senate Washington, DC 20510

The Honorable Debbie Stabinow Chair Subcommittee on Rural Revitalization, Conservation, Forestry and Credit Committee on Agriculture, Nutrition and Forestry United States Senate Washington, DC 20510 The Honorable Saxby Chambliss Ranking Member Committee on Agriculture, Nutrition and Forestry United States Senate Washington, DC 20510

The Honorable Mike Crapo
Ranking Member
Subcommittee on Rural Revitalization,
Conservation, Forestry and Credit
Committee on Agriculture, Nutrition
and Forestry
United States Senate
Washington, DC 20510

Subject: Cooperative Approaches to Water Quality Protection in the 2007 Farm Bill

Dear Senators:

In recent months, advocates and members of Congress on both sides of the aisle have discussed the importance of strengthening vital conservation programs as work begins on the reauthorization of the Farm Bill. As representatives of tens of thousands of public and privately owned drinking water and wastewater systems serving millions of Americans throughout the United States, we strongly urge Congress to provide cooperative opportunities for water quality, quantity and conservation initiatives in this legislation.

Water systems appreciate the important role of American farmers in supplying an abundance of food products for our nation, but we also recognize that agricultural production can have adverse effects on the environment. Understanding this, agricultural producers have embraced Farm Bill Conservation Title programs such as the Conservation Reserve Program (CRP), the Conservation Security Program (CSP) and the Environmental Quality Incentives Program (EQIP), which reward farmers for maintaining land and practicing environmentally friendly farming methods.

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However, these existing programs overwhelmingly focus on actions undertaken by individual farmers and do not promote land and water benefits that could be achieved through a cooperative, multi-stakeholder watershed approach.

We believe that the maintenance of our nation's agricultural lands and water resources would benefit from cooperative programs designed to encourage stakeholders to work together on a regional basis. In fact, Congress endorsed this approach in the 2002 Farm Bill, which created a program called Partnerships and Cooperation (16 USC 3843(f)). This program was intended to allow water systems to enter into partnerships with individual farmers to carry out conservation projects. Unfortunately, it has never been recognized or funded by the Department of Agriculture (USDA).

Even absent federal assistance, a limited number of drinking water and wastewater systems have engaged in partnership programs, exemplifying the potential of such cooperation. For instance, California's Inland Empire Utility Agency partners with local dairy farmers and others to generate electricity from methane gas derived from dairy manure and yard waste. This effort protects vulnerable ground water supplies, relieves producers of potential financial and regulatory burdens, and provides the utility with renewable electricity. With a greater federal commitment, more farmer-water utility partnerships like this one could be created across the country.

Proposals to accomplish this are on the table. For example, the Bush Administration has put forward the Regional Water Enhancement Program (RWEP). In concept, this program would set aside \$175 million per year from EQIP to provide competitive grant funding to groups including farmers, ranchers, and water and wastewater utilities to carry out projects intended to advance water quality and conservation priorities in their watershed. RWEP partnership projects would include strategies for addressing watershed priorities and measurable outcomes to ensure these goals are being met. Although we believe that the proposal's authorization level should be substantially increased given the likely allocation of only an average of \$3.5 million per state, if appropriated, RWEP serves as an excellent example of the type of cooperative program that will encourage environmental partnerships.

We are hopeful that Congress will support such a program as part of the Farm Bill reauthorization. Already, members of Congress have incorporated partnership programs into their farm bill proposals including Reps. Cardoza (H.R. 1600), DeLauro (H.R. 2144), and Kind (H.R. 1551). The legislation by Reps. Cardoza and Kind require 20 percent of the Farm Bill conservation program funds be set aside for cooperative conservation partnership grants. In addition, Rep. Kind's bill recognizes water quality improvements as a specific objective of the program. Together all three bills have 127 individual cosponsors, indicating broad bipartisan support for a federally backed cooperative approach to watershed management.

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While we believe RWEP and the House bills are good starting points, it is likely that any final cooperative program to be included in the Farm Bill has yet to fully take shape. To this end, we recommend that the following principles guide Congress as it crafts this program:

- The 2007 Farm Bill should require USDA to dedicate funding for a partnership program that would facilitate multi-stakeholder projects among farmers, ranchers, water and wastewater utilities, and similar stakeholders to meet local and state water quality and quantity objectives at a regional level.
- Water utilities have a critical interest in protecting our nation's water resources and needed technical expertise. Both public and privately owned drinking water and wastewater utilities should be eligible to enter into partnerships.
- The partnership program should use a competitive funding process to select projects that involve multiple stakeholders and have identifiable performance targets and watershed benefits.
- The Farm Bill should require USDA to devote a significant percentage of conservation funds toward these cooperative watershed projects. While Congress must determine what funding level is appropriate, members should keep in mind that the most successful cooperative partnerships require a substantial federal investment to augment efforts at the local level. Many more watershed projects could be completed if federal assistance is available.

As the representatives of America's drinking water and wastewater community, promoting environmental health and protecting water quality are among our top priorities. We are confident that a watershed-based cooperative partnership program will be a significant step toward the achievement of these goals, and we strongly urge its inclusion in the 2007 Farm Bill.

Sincerely,

American Public Works Association
American Water Works Association
Association of California Water Agencies
Association of Metropolitan Water Agencies
Inland Empire Utilities Agency
National Association of Clean Water Agencies
National Association of Water Companies
National Water Resources Association
U.S. Conference of Mayors
Western Coalition of Arid States
WateReuse Association
Water Environment Federation

cc: Committee Members

























May 16, 2007

The Honorable Collin Peterson Chairman Committee on Agriculture U.S. House of Representatives Washington, DC 20515

The Honorable Tim Holden Chairman Subcommittee on Conservation, Credit, Energy and Research Committee on Agriculture U.S. House of Representatives Washington, DC 20515 The Honorable Bob Goodlatte Ranking Member Committee on Agriculture U.S. House of Representatives Washington, DC 20515

The Honorable Frank Lucas
Ranking Member
Subcommittee on Conservation, Credit,
Energy and Research
Committee on Agriculture
U.S. House of Representatives
Washington, DC 20515

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