

The Voluntary Groundwater Conservation Act

U.S. Senators Michael Bennet (D-Colo.) and Jerry Moran (R-Kan.) July 2023

America's groundwater resources are a primary source of drinking water for rural communities and a vital irrigation water supply for many family farms and ranches across the country. However, these resources are in decline — a trend that could seriously affect communities, water users, ecosystem health, and local economies.

The **Voluntary Groundwater Conservation Act** creates a new voluntary groundwater easement program at the United States Department of Agriculture's (USDA) Natural Resource Conservation Service (NRCS) within the <u>Agricultural Conservation Easements Program</u> (ACEP). This easement program is modeled after the experience of <u>Colorado Open Lands</u>, who signed the first-ever ground water easement in 2022 in the Rio Grande River Basin. This easement locks in permanent reductions to the amount of groundwater that farmers pump while compensating them at a fair market value for the water savings.

This flexible and enforceable tool will help protect groundwater sources while keeping agricultural lands in production, rather than requiring a dry-up of irrigated lands or fallowing farm fields to meet aquifer recovery goals. A groundwater conservation easement would be tailored to the needs of a specific water rights holder to reduce their groundwater use at the level they choose for the entire operation. These groundwater easements will provide an important tool for irrigators and water managers to meet challenges of water scarcity and help sustain and recover aquifers to healthy levels without sacrificing the benefits to ecosystems and the rural economy associated with farming.

Specifically, the **Voluntary Groundwater Conservation Act** would:

- Create a new Groundwater Conservation Easement Program at USDA to encourage voluntary, compensated reductions in groundwater consumption on agricultural land and advance local, regional, or state groundwater management goals;
- Allow NRCS to reimburse transaction costs up to 5 percent of the federal share and requires an advance payment for limited resource producers to cover these costs;
- Guarantee long-term management flexibility for a producer to continue farming and choose how they reduce their water use, as long as they conserve the amount they've committed to reducing each year;
- Ensure that farmers are fairly compensated using a payment based on the market value for the water right instead of a per acre payment; and
- Clarify that easement funds shall not be counted towards a farm's adjusted gross income and that producers with an adjusted gross income of more than \$900,000 are eligible for a waiver from the Secretary to participate in groundwater conservation easements.

This legislation is supported by: Colorado Open Lands, Colorado Cattlemen's Ag Land Trust, Colorado Farm Bureau, Rocky Mountain Farmers Union, Colorado Potato Administrative Committee, Ogallala Land & Water Conservancy of New Mexico, Southwest Kansas Groundwater Management District No. 3, Big Bend Groundwater Management District No. 5 of Kansas, Texas Agricultural Land Trust, National Wild Turkey Federation, the Theodore Roosevelt Conservation Partnership, and Western Landowners Alliance.