

**DEPARTMENT OF AGRICULTURE****Commodity Credit Corporation****Financial Assistance To Promote Water Conservation in the Klamath Basin**

**AGENCY:** Commodity Credit Corporation, USDA.

**ACTION:** Notice of intent to make monies available to promote water conservation in the Klamath Basin.

**SUMMARY:** Section 2104 of the Supplemental Appropriations Act, 2001, Pub. L. 107-20, provided for financial assistance to eligible producers to promote water conservation in the Klamath Basin. This notice sets out the method by which the payment will be distributed on behalf of eligible producers to eligible owners and operators who did not receive certain expected deliveries of irrigation water within the Klamath Basin during the past crop year, and who agree to promote water conservation methods in future agricultural activities.

**FOR FURTHER INFORMATION CONTACT:** Ilka Gray, Agricultural Program Specialist, USDA/FSA/CEPD/STOP 0513, 1400 Independence Ave., S.W., Washington, DC 20250-0513, (202) 690-0794, or email at: ilka\_gray@wdc.usda.gov.

**SUPPLEMENTARY INFORMATION:** Section 2104 of the Supplemental Appropriations Act, 2001 (Pub. L. 107-20), provided \$20,000,000 to make available financial assistance to eligible producers to promote water conservation in the Klamath Basin (Basin). The Basin is located in the high-desert inter-mountain region of Klamath County, Oregon, and Siskiyou and Modoc Counties, California. There are typically over 220,000 acres of irrigated crops in the Basin including: alfalfa, 50,450 acres; barley, 31,700 acres; other hay, 27,160 acres; and oats, 8,800 acres. Cropland in the area is traditionally serviced by the deliveries of water by the U.S. Bureau of Reclamation's (USBR) Klamath Project (Project) which also delivers water to the Tule Lake and Lower Klamath National Wildlife Refuges. The Project was authorized by President Theodore Roosevelt in 1905. USBR is an entity within the U.S. Department of Interior (USDOI).

From September 1, 2000, through March 26, 2001, the Basin watershed received about 32 percent of normal precipitation. Stream flows were estimated by USBR hydrologists to be at about 29 percent of normal. Meanwhile, as estimated by the U.S. Department of Agriculture's Natural Resources Conservation Service, the estimated

snow pack in the upper Basin was about 34 percent of normal. Because of record low levels, USBR determined on April 6, 2001, that water could not be delivered under the Project to the producers who normally use Project water for irrigation purposes. There are about 1,400 agricultural producers whose land normally receives Klamath Basin Irrigated Contract Acres (Contract Acres) in the Basin whose farming operations were substantially impacted by the water shortage.

To assist producers adversely affected by the drought, Congress included in section 2104 of Pub. L. 107-20 \$20 million, to remain available until expended, from amounts available to the U.S. Department of Agriculture's Commodity Credit Corporation under 15 U.S.C. 713a-4, "for the Secretary of Agriculture to make available financial assistance to eligible producers to promote water conservation in the Klamath Basin, as determined by the Secretary." In addition, the statute specified that to the extent that regulations might be found to be needed, the issuance of regulations promulgated pursuant to this new authority would be made without regard to: (1) The notice and comment provisions of section 553 of title 5, United States Code; (2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 FR 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and (3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act"). It was also specified that in carrying out this section the Secretary should use the authority provided under section 808 of title 5, United States Code, which exempts certain rules from having to undergo certain Congressional oversight procedures prior to the time that the rules are made effective.

**Eligibility**

FSA will use data on Basin farming operations, along with data from USDOL, to identify the universe of eligible producers. Anyone that has an interest in the eligible land may also contact the FSA office to determine eligibility.

Land within the Horsefly and Langell Valley Irrigation Districts in the Basin received water. Accordingly, land in those districts will not be eligible for payment under this new program. Likewise, under the 2001 Klamath Basin Pilot Irrigation Demand Reduction Program, USBR purchased water normally provided to about 16,000 acres in the Basin and, because these producers have already been or will be

compensated through that effort, this land will also be generally ineligible for this assistance. Benefits will be made available for producers that sold water to USBR for a per acre amount less than per acre payment that would otherwise be available to eligible land. The potential payment will be equal to the difference between the two amounts. In no case may this per acre payment, taken in the aggregate with the USBR per acre payment, exceed the per acre payment otherwise payable under this new program.

Funds will be divided up according to contract acres and according to payment shares indicated. Such shares must be agreed to by the owner and operator located on the eligible land. Only undisputed requests for assistance will be paid. Producers will be provided with information on what kinds of conservation measures might be undertaken and other options as may be available to them. Such actions may include: (1) moving to less water-intensive crops, (2) improving irrigation scheduling, and (3) developing on-farm irrigation improvements such as land-leveling, canal maintenance, and sprinkler calibration. FSA can provide producers with assistance in determining the best water conservation practice(s) for their operation. All participating producers will agree to promote water conservation methods in future agricultural activities as a condition of payment. FSA will keep this agreement on file with the producers' other USDA records, and recipients may be subject to monitoring and/or enforcement measures.

Further information about the program will be made available at the local Farm Service Agency offices of the USDA.

Signed at Washington, DC, on October 4, 2001.

**James R. Little,**

*Acting Administrator, Farm Service Agency and Acting Executive Vice President, Commodity Credit Corporation.*

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**DEPARTMENT OF AGRICULTURE****Natural Resources Conservation Service****Broad Creek Watershed, DE**

**AGENCY:** Natural Resources Conservation Service, Delaware.

**ACTION:** Notice of a finding of no significant impact.