

## Testimony on 2018 USDA Farm Bill

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Good morning Mr. Chairman and members of the House Agriculture Committee.

My name is John Finney and I serve as the President of the RRWMB of Minnesota and as Co-Chair for the RRRA. I also farm with my brother, Dan Finney, near the Canadian border along the Red River of the North where we experience frequent flooding and extended inundation of floodwater on our farm.

The RRRA represents 22 Red River of the North Basin watersheds and water resource districts in North Dakota and Minnesota. The RRRA is a partnership between the Minnesota RRWMB and the North Dakota RRJWRD. The genesis of the RRRA is to implement the Long Term Flood Solutions plan set forth by the Red River Basin Commission (see attachment A). The RRRA's basin wide goal is a 20% reduction in peak flows on the Red River of the North main stem and to reduce local watershed flooding by distributed watershed storage of floodwaters in upstream floodwater retention projects.

Since the devastating flood of 1997, the RRWMB, RRJWRD and RRRA along with many federal, state and local partners have implemented projects which have provided over 185,000 acre-feet of flood storage. While this is significant, it's only about one-fifth of the basin goal.

These projects reduce flooding to residents and properties, improve water quality, and enhance wildlife habitat and recreation. An acceleration of these efforts has occurred with the initiation of 20 Regional Conservation Partnership Program (RCPP) watershed planning efforts throughout the Red River of the North Basin. The RRRA secured USDA RCPP funding in May of

2015. As a result, 20 small watershed plans in thirteen major watersheds in the Red River Basin are currently being developed throughout the basin (see attachment B).

In the development of the 2014 Farm Bill, the RRRA worked diligently with our Federal Congressional delegations in MN and ND to modify existing policies and add a cost-share funding component to the proposed Farm Bill to implement retention projects. A few key enhancements were suggested to modify the USDA Natural Resources Conservation Service (NRCS) Small Watershed Protection program, or PL83-566 program. The "PL-566 watershed" program could be much more successful in the Red River basin if the suggested program modifications were made to address basin-wide resource issues in addition to the current local watershed resource issues.

These proposed program modifications include; eliminate the requirement under economic and environmental principles and guidelines for water resources implementation studies for individual benefit to cost ratio calculations on each individual project and instead allow flood control projects to be based upon an overall basin plan (see attachment C; pages 10 and 11: RRRA Consolidated Subcommittee reports dated March 28, 2011 for other specific recommendations).

Since our original suggestions to modify the PL-566 program were not fully addressed, local watershed districts working with their consultants in planning the 20 RCPP watersheds have encountered challenges with identifying and calculating the true and total benefits from implementing flood retention and flood damage reduction and environmental enhancement projects. Traditional benefit cost analysis used by USDA for water resource projects makes the likelihood of future federal funding to assist with retention project construction difficult.

A priority of the RRWMB, RRRA and its affiliated member watershed and water resource districts is to demonstrate that the continued planning and implementation of projects will enhance the infrastructure of rural America, improve water quality in lakes and streams, and establish critical wildlife

habitats for all Red River basin residents. Determining the value of input costs of fertilizer or the revenue generated from hunting can be calculated, but valuing societal benefits of having adequate water quality and wildlife habitat is much more subjective and controversial.

I propose that federal cost-share for the planning and implementation of flood retention and flood damage reduction projects should be based on their economic, ecological and social benefits provided to the entire Red River of the North basin from a programmatic perspective comparable to the justification of various USDA Conservation Programs. This approach would be a significant improvement to the formula for providing federal assistance that encourages a "Public-Private-Partnership" for the Red River of the North basin as well as small watersheds. For rural America to compete with this program, there needs to be modification of existing programs or new programs created that allow partnerships to thrive and encourage project implementation. These changes would assist in strengthening and achieving the partnership goals identified in the RCPP program.

The 2014 RCPP was an excellent start to assist organizations like the RRWMB and the RRRRA, which I represent, to reach their goals. The foundation has been laid to plan and build distributed retention projects to alleviate local watershed and basin flooding problems while incorporating environmental enhancements to improve water quality, wildlife habitat, water supply and recreation. Collectively, we must continue to assist one another in achieving a safe and economically productive Red River of the North basin.

Please consider implementing these proposed changes to provide for USDA funds to be utilized for watershed and water resource projects using a variable cost-share rate based on true and identified needs not only of RCPP watersheds but the entire Red River of the North basin.

Thank you for the opportunity to provide testimony to you today. We sincerely appreciate your continued efforts in drafting the new Farm Bill.