



Oregon

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Oregon Watershed Enhancement Board

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May 1, 2008

MEMORANDUM

TO: Oregon Watershed Enhancement Board

FROM: Ken Bierly, Deputy Director

**SUBJECT: Agenda Item M: Oregon Conservation Reserve Enhancement Program
May 20-21, 2008 OWEB Board Meeting**

I. Introduction

In this report, staff propose to organize and participate in a joint work group with the Board of Agriculture to review and develop an approach to address future technical assistance and program delivery for the Oregon Conservation Reserve Enhancement Program (CREP).

II. Background

In 1997, Oregon initiated discussions with the U.S. Department of Agriculture (USDA) about the possibility of developing a state-federal cost share program that focused on improving riparian conditions in agricultural areas of the state. The Oregon Conservation Reserve Enhancement Program was approved in September 1998 with a signing ceremony by then Governor Kitzhaber and the Secretary of Agriculture in October 1998.

As an offspring of the Conservation Reserve Program, CREP is a voluntary program for agricultural landowners. This unique state and federal partnership allows landowners to receive incentive payments and conservation rental payments from the Farm Services Agency (FSA) for installing and maintaining specific conservation practices. Through the CREP, farmers can receive annual rental payments and cost-share assistance to establish long-term, riparian buffers on eligible land and protect them from domestic grazing. The Oregon CREP was initially developed to address listed salmon streams; the program was later modified to assist in addressing stream water quality issues (primarily temperature). The program uses state funding for partial payment (25 percent) of all conservation activities (fencing, off-stream watering, site preparation, plant materials, planting, etc.).

Public interest in the program has increased significantly since the program was initiated and the number of participants and the number of stream miles treated has grown dramatically along with OWEB's investment in CREP. In September of 2007, the Board allocated \$4 million to cover the costs of CREP direct cost share expenses during the 2007-2009 biennium.

III. CREP Technical Assistance

As early as 2001, some groups expressed concern that the program was not being promoted to sufficiently address the significant agricultural riparian restoration needs in Oregon. As a result

of the concerns, and in response to critical review, OWEB funded an evaluation of the program through the Oregon Department of Agriculture (ODA) and Oregon Association of Conservation Districts (OACD). The report identified technical assistance for outreach, conservation plan development, and landowner assistance as a critical need for the program to become effective. The OWEB Board responded by providing funding for technical assistance (the primary factor limiting participation).

OWEB has provided state funding for technical assistance for the CREP program for the last four biennia. This funding has been made available to soil and water conservation districts since they had an existing relationship with USDA partners. The most recent request for the Soil and Water Conservation Commission to recommend use of funds for this purpose from the additional \$1 million made available to districts from OWEB, has raised questions about the manner of providing technical assistance funding.

IV. 2007 Farm Bill and USDA-Oregon Agreement

The 2002 Farm Bill expired in 2007 and is being considered for reauthorization by Congress. The 2004 CREP agreement between Oregon and the USDA expired on December 31, 2007. The Farm Bill and Oregon's agreement have been incrementally extended since the beginning of the year. Once a new Farm Bill is approved, Oregon and the USDA will need to begin negotiating a new CREP implementation agreement. During this process, OWEB could explore ways to focus its participation in the program.

V. Oregon CREP Work Group

In cooperation with the Board of Agriculture and Department of Agriculture, OWEB staff propose to develop and facilitate a work group to discuss the infrastructure needed to support Oregon's CREP investment, including the new Oregon agreement and the technical assistance needs of the program.

The Board of Agriculture is expected to discuss forming the work group at its May 15, 2008, meeting. OWEB staff will update the Board about that discussion at the Board meeting.

VI. Recommendation

This is an informational item. Staff seek Board feedback on this proposal. No Board action is requested at this time.