UPPER ARKANSAS RIVER CONSERVATION RESERVE ENHANCEMENT PROGRAM PERFORMANCE REPORT

BY THE

STATE OF KANSAS October 1, 2021 – September 30, 2022



2022 highlights include increased outreach to the Rattlesnake Creek expansion area.





Executive Summary

The Conservation Reserve Enhancement Program (CREP) in Kansas is a federal and state partnership created for enhancing water conservation efforts along the Upper Arkansas River (UAR) corridor from Hamilton County to Rice County. **The UAR CREP has been officially approved and operating for 15 years**; this annual report provides a synopsis of the implementation activities and progress to date.

CREP is an "enhanced" version of the Conservation Reserve Program (CRP) in which the Farm Service Agency (FSA) of the U.S. Department of Agriculture (USDA) and the State of Kansas have mutually agreed to address specialized natural resource concerns. The Natural Resources Conservation Service (NRCS) is USDA's provider of field technical services to producers who are implementing CREP contracts. The Kansas Department of Agriculture (KDA) Division of Conservation (DOC) is the primary coordinator of the program in concert with numerous other state, local and private partners including KDA's Division of Water Resources; Kansas Water Office; Kansas Department of Wildlife and Parks; Kansas Department of Health and Environment; Kansas Geological Survey; Kansas State University; Groundwater Management District Nos. 3 and 5; Ducks Unlimited; Pheasants Forever; and Kansas Alliance for Wetlands and Streams.

The UAR CREP is a voluntary, incentive-based program allowing producers to enroll eligible irrigated acres in targeted areas for 14- to 15-year contracts with FSA, permanently retire the associated state water rights on the enrolled acres, and establish an approved land cover (typically a native grass) on the same acreage. The producer receives an annual rental payment, and additional cost share opportunities for specific conservation practices from FSA, plus an upfront incentive payment from DOC.

Groundwater is the dominant source of water for all uses in the basin, and aquifer declines are a serious concern. Therefore, water conservation is the main management objective in the UAR CREP. The program also provides other resource benefits including soil conservation, water quality protection, wildlife habitat enhancement and energy savings. The majority of irrigated acres enrolled have been on highly erodible sandhills soils that are unsuitable for dryland farming.

One of the most significant merits of the program to date has been establishing cover on these highly erodible lands. The extremely fragile, windblown soils of the sandhills will be very difficult to re-vegetate after irrigation is no longer possible and crop production ceases due to groundwater declines. The CREP program has provided these producers a viable option, incentive and financial opportunity for starting prairie grass stands and other conservation covers while limited irrigation water is still available.

As of September 30, 2022, a total of 138 state CREP contracts on 23,430 acres have been approved by the State of Kansas. These contracts have resulted in the permanent retirement of 47,643 acre-feet of annual water appropriation on 169 water rights from 212 wells. The contracts represent a total of \$1,669,373 in one-time state sign-up payments to producers over the past 15 years.

The State of Kansas has again met its financial commitment to provide at least 20% of the program costs through a combination of direct payments, technical assistance and in-kind contributions with at least 10% coming from direct cash match as approved in the USDA Memorandum of Agreement (MOA). Since 2007, a total of \$16,789,576 of direct and indirect expenditures and in-kind costs from state, local and private partners have been made in support of the project to match an estimated total of \$53,820,266 in federal program costs.

Annual Progress: FSA Administrator Zach Ducheneaux conducted a Western Kansas field tour in 2022 which included a stop at a UAR CREP enrollment in Finney County on June 6. He was very complimentary about the purposes and results of the project to date, as expressed in a national FSA news release, stating "I am thrilled to be able to visit the site of the Upper Arkansas River CREP and better understand the conservation achievements that will be made possible through this innovative agreement," said Ducheneaux. "The State of Kansas has been a phenomenal partner in reopening and bolstering this agreement and demonstrating what is possible through dynamic partnerships that support voluntary, producer-led conservation on working lands. I appreciate the long history associated with this CREP and look forward supporting the new, expanded opportunities that are now available for agricultural producers who choose to participate."

CREP Program Implementation Summaries

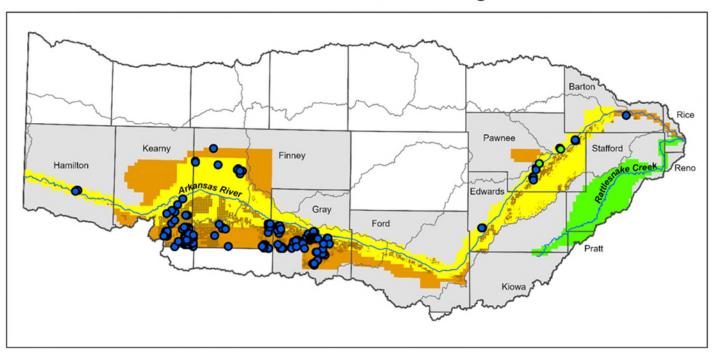
Approved Contract Totals as of September 30, 2022

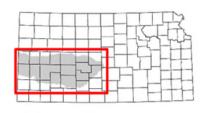
| County | вт | ED | FI | FO | GY | НМ | KE | KW | PN | PR | RI | RN | SF | TOTAL |
|--------|-------|-------|---------|----|---------|-------|---------|----|-------|----|----|----|----|----------|
| | | | | | | | | | | | | | | |
| Acres | 107.7 | 127.5 | 5,700.7 | 0 | 7,296.9 | 242.9 | 9,078.9 | 0 | 876.2 | 0 | 0 | 0 | 0 | 23,430.4 |

- 23,430.4 acres have been approved for enrollment no acres were added in FY2022.
- 211 wells have been retired on 23,354.8 irrigated acres from 169 water rights.
- 47,643 acre-feet of annual water appropriation rights have been permanently retired.
- 138 state contracts are approved for a total of \$1,669,373 in sign-up incentives cost-share.
- 99% are CP2 practice code (native grasses) and 91% are Tier 1 / Tier 1 unsuitable soils.

The total project limit is currently 40,000 acres with an individual county cap of 10,000 acres.

Kansas CREP Retired Water Rights













Rattlesnake Creek Expansion (Oct 1, 2021)

Summary of Program Expenditures

As of Sept. 30, 2022, a total of \$1,669,373 has been expended by DOC for the State Upfront Payments (SUPs) in 138 separate state contracts to producers who have been approved and enrolled in the CREP program, as shown below. Participating producers received a total of \$3,039,395 in rental payments and cost-share assistance from FSA during the 2022 program year.

| | State Upfront Payments | | | | | | | | | | | | | | |
|----------|------------------------|-----------|----------|----------|-----------|----------|------|-----------|-----------|----------|-----------|----------|------|----------|-----------------|
| COUNTY | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | COUNTY TOTAL |
| Barton | | | | | | | | | | \$9,991 | | | | | \$9,991 |
| Edwards | | | | | | | | | | \$9,894 | | | | | \$9,894 |
| Finney | \$8,022 | \$33,756 | \$2,677 | | \$78,251 | | | \$34,124 | \$45,299 | \$10,864 | \$224,822 | | | | \$437,815 |
| Ford | | | | | | | | | | | | | | | |
| Gray | \$156,954 | \$44,856 | \$75,618 | \$15,320 | \$64,419 | \$37,677 | | \$59,540 | | | | | | | \$454,384 |
| Hamilton | | | | | | | | | \$23,561 | | | | | | \$23,561 |
| Kearny | \$260,632 | \$37,510 | \$15,620 | | \$94,241 | | | \$20,005 | \$49,286 | | \$172,252 | \$12,289 | | | \$661,835 |
| Kiowa | | | | | | | | | | | | | | | |
| Pawnee | \$14,291 | | | | \$8,103 | | | | | | | \$24,638 | | \$24,861 | \$71,893 |
| Pratt | | | | | | | | | | | | | | | |
| Reno | | | | | | | | | | | | | | | |
| Rice | | | | | | | | | | | | | | | |
| Stafford | | | | | | | | | | | | | | | |
| TOTAL | \$439,899 | \$116,122 | \$93,915 | \$15,320 | \$245,014 | \$37,677 | \$0 | \$113,669 | \$118,146 | \$30,749 | \$397,074 | \$36,927 | \$0 | \$24,861 | \$1,669,373 |

As part of the federal and state CREP partnership MOA, the State of Kansas agreed to pay not less than 20% of the program costs, as required for a CREP program, through a combination of direct payments, technical assistance and in-kind contributions with no less than 10% direct match. The total estimated federal costs of the program to date are now approximately \$53,820,266.

The State of Kansas direct match now totals \$11,704,089 — an amount which exceeds 10% of the federal costs. And the State of Kansas, with its partners of other agencies, conservation districts, groundwater management districts and private associations, has expended a total of \$5,085,487 in the project for technical assistance and in-kind services as indirect match for a total project match of \$16,789,576 — an amount which exceeds the required 20% match of federal costs.

For additional information, visit the CREP website at

www.agriculture.ks.gov/CREP

or contact

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