Good morning Chairman Drozdoff and the rest of the Committee. We appreciate you taking the time today to hear testimony from a variety of agricultural and conservation interests. My name is Joe Sicking, and I'm the Chairman of the State Conservation Commission. As many of you know, the Commission works with and assists the 28 Conservation Districts throughout the state; all of them provide locally elected leadership on renewable natural resources in Nevada. They all serve as volunteer Supervisors, but they do their best to help their communities address some of the most important issues of our day.

Of course water, and the related use of it, is always one of the most important natural resources there is, particularly in Nevada. The current level of drought, stretching now well over the past four years, has led many of its traditional users to conserve, use less, and for some not even have any to use currently.

In order to remain productive in a drought-stricken state such as Nevada is currently, most agricultural producers have done everything they can to continue their operations and yet remain economically viable. With the help of NRCS, some producers have been able to convert from flood irrigation to center pivoty. This option, although a large investment for the producer, does provide significant water savings as well.

Some operators are leaving some of their fields fallow – others have done so not by their choice but due to the fact they simply don't have water to use. It's not uncommon these days for producers to leave their grain crops in a year or two longer during their normal rotation between alfalfa and grain, since this allows for a lower use of irrigation water. Others are trying different crops that are water efficient or use less water as well. Grains such as Teff, as well as others, use significantly less water; provide a cash grain crop, as well as useable forage if the producer chooses to use it as such. Some simply farm it into the soil which provides for less water usage the next few years on that field due to higher levels of organic matter.

The Conservation Districts themselves have been actively working on developing projects that could help Nevada's waterways be more efficient and effective, store water on the land longer, and help in putting those waterways into proper functioning condition. The District I serve on, Paradise-Sonoma in Humboldt County has partnered with the Owyhee Conservation District in Elko County and applied for a Conservation Innovation Grant through NRCS. If we are successful in obtaining this grant – we won't know for sure until next month sometime – it will allow us to put many miles of the Little Humboldt River, portions of both the North Fork and South Fork, into proper functioning condition. This project will help keep what little water we

receive in those drainages in time of drought, on the land longer and allow it to be used more efficiently. It also has a side benefit of improving habitat for the Greater Sage-grouse which as we all know is a big issue these days.

The State Conservation Commission, in partnership directly with the Nevada Association of Conservation Districts, as well as many others including BLM, USFS, and NDF, just to name a couple, has also applied for another grant known as the Regional Conservation Partnership Program through NRCS. This five year grant, again if we're successful, will provide about \$19 million dollars worth of planning and work to be done throughout the state. The first couple of years will be spent developing Conservation Resource Management Plans, known throughout the country as an extremely collaborative process, for each of the 28 Districts. The following few years will be spent putting the projects developed through the planning process on the ground. We anticipate that with water issues being front and center, that many of the top ranking projects will be water conservation related.

All of these management tools are effective in reducing water consumption for irrigation. However, there is a legal issue that arises in Nevada water law. Producers have come to refer to this issue as "use it or lose it" regarding water rights. The current statutes provide that if a producer doesn't use their adjudicated water rights for a period of time,

the state can regain the right to re-appropriate those rights. Therefore, if a producer uses good, efficient management techniques such as some of those mentioned above, and reduces his water use by, as an example 20%, he could legally lose that amount of his water right. For a field that has been permitted for 20 acre feet of water, this could be the loss of four acre feet of water on an annual basis. This reduces the value of the overall operation, and if he does that on a number of fields the negative effect of that value adds up quickly. This needs to be changed as soon as possible. It is a very significant issue throughout the Nevada agricultural community as they stand to lose significant amounts of their rights and value to their operation if they do the right thing.

I would like to close by thanking the members of the Committee for their service and attention to this critical issue on everyone's mind. I would also like to thank Governor Sandoval for his work in bringing this forward as an important issue for his administration. I would offer the assistance of the Conservation Commission, as well as the individual Districts, in addressing this issue. Thank you Chairman Drozdoff and I would be happy to take any questions you or the Committee may have.