

Date of Hearing: April 6, 2022

ASSEMBLY COMMITTEE ON AGRICULTURE
Robert Rivas, Chair
AB 2412 (Villapudua) – As Introduced February 17, 2022

SUBJECT: Agriculture: State Water Efficiency and Enhancement Program

SUMMARY: This bill codifies, with some modifications, the existing State Water Efficiency and Enhancement Program (SWEEP) at the California Department of Food and Agriculture (CDFA), which provides grants to agricultural operations to implement irrigation systems that reduce greenhouse gases (GHG) and save water. Specifically, *this bill*:

- 1) Defines grant program to mean SWEEP established by CDFA in 2014.
- 2) Requires, upon appropriation by the Legislature, CDFA to administer the grant program, as specified, to provide financial assistance in the form of grants to agricultural operations to implement irrigation, water reclamation, water storage, or groundwater recharge systems that reduce greenhouse gases and energy use and increase water use efficiency, subject to both of the following:
 - a) Requires CDFA to prioritize financial assistance for farms and ranches of 500 acres or less and socially disadvantaged farmers and ranchers, as defined in Section 512.
 - b) Allows CDFA to consider and prioritize projects that provide cobenefits, including, but not limited to, improved water quality, groundwater recharge, on-farm water storage, and surface water efficiency.
- 3) Requires the Secretary of CDFA (Secretary), in consultation with the Secretary of the Natural Resources Agency, the Natural Resources Conservation Service of the United States Department of Agriculture (NRCS-USDA), and the Scientific Advisory Panel on Environmental Farming (Scientific Panel), to develop and adopt guidelines for awarding funds under the grant program.
 - a) Requires the guidelines to include relevant conservation practice standards issued by the NRSC-USDA and allows the guidelines to be amended from time to time to promote the funding of projects that include any of the following conservation practices:
 - i) Combustive system improvements for agricultural irrigation engines.
 - ii) Irrigation systems and micro-irrigation.
 - iii) Sprinkler systems.
 - iv) Irrigation systems that are surface or subsurface, or both.
 - v) Irrigation water management.
 - vi) Pumping plants.
 - vii) Irrigation and drainage tailwater recovery.
 - viii) Irrigation field ditches.

- ix) Irrigation land leveling.
 - x) Ponds and pond sealing or lining with compacted soil, geomembrane or geosynthetic clay, or concrete.
 - xi) Irrigation pipelines.
 - xii) Irrigation reservoirs.
- 4) Requires the secretary to provide a report to the Legislature that includes:
- a) a review of the guidelines,
 - b) a list of projects awarded financial assistance pursuant to the program, and,
 - c) a review of the effectiveness of those projects in implementing irrigation, water reclamation, water storage, or groundwater recharge systems that reduce greenhouse gases and energy use and increase water use efficiency.

EXISTING LAW:

- 1) Requires CDFA to establish and oversee an environmental farming program that provides incentives to farmers whose practices promote the well-being of ecosystems, air quality, and wildlife and their habitat.
- 2) Requires the secretary to convene the Scientific Panel to advise the secretary on the implementation of the Healthy Soils Program and SWEEP, and to assist federal, state, and local government agencies, as appropriate or necessary, on issues relating to the impact of agricultural practices on air, water, and wildlife habitat, as specified.

FISCAL EFFECT: Unknown.

COMMENTS: SWEEP provides financial assistance in the form of grants to implement irrigation systems that reduce greenhouse gases and save water on California agricultural operations. Eligible system components include (among others) soil moisture monitoring, drip systems, switching to low pressure irrigation systems, pump retrofits, variable frequency drives and installation of renewable energy to reduce on-farm water use and energy.

Since 2014, CDFA has selected 835 projects to be awarded covering over 137,000 acres. \$81.1 million awarded to date, with more than \$52.8 million in matching funds contributed by awardees. Along with helping farmers and ranchers save water and reduce their energy costs, SWEEP results in environmental benefits as well. CDFA estimates that over 81,000 metric tons of CO₂e will be reduced annually, the equivalent of removing 17,500 cars from the road for one year (based on emissions reductions equivalent). Moreover, SWEEP projects will help save over 117,000 acre-ft. of water annually.

According to the Author, despite the success and popularity of the program among farmers, SWEEP has been hampered by inconsistent and limited funding. In 2014, SWEEP was first funded through the state's cap and trade revenues. In 2017, SWEEP funding was eliminated to maximize other climate investment priorities. In 2019, SWEEP returned with funding from a \$20 million bond. Additionally, from 2014 to 2017, CDFA could only provide grants to 38% of farmers that applied.

The state's traditional hydrology patterns are rapidly changing due to climate change. Climate scientists hypothesize that California is experiencing increased "precipitation whiplash" which is increasing the frequency of severe drought and flood by nearly 50 percent until 2100. By coordinating with the United States Department of Agriculture (USDA), Natural Resources Conservation Service (NRCS), approved NRCS practices can be incentivized by the state for small farmers, especially those historically disadvantaged, to implement and adapt to the increasingly adverse and volatile climate hydrology.

To address the issues of SWEEPs variable funding, this bill would codify CDFA's ability to add USDA NRCS approved practices to SWEEP to encourage adaptively of small farmers to the climate adverse hydrology based on funds available from the Department of Food and Agricultural Fund.

REGISTERED SUPPORT / OPPOSITION:**Support**

None on file.

Opposition

None on file.

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