

Drought Relief Legislative Package

Overview

The Governor's Natural Resource Office has developed a comprehensive drought relief package for legislative consideration. During the 2021 legislative session, the Legislature set aside \$150 million to respond to the State's natural disaster prevention, preparedness, response, and recovery activities. The Governor's office worked closely with stakeholders throughout the state to develop a \$99.725 million comprehensive drought relief package that includes both direct relief to agricultural producers who were hard hit during this year's drought as well as key investments to help mitigate and prepare for future drought years.

\$40 million – Agricultural Forgivable Disaster Loan Program

Direct assistance to producers and irrigators who have sustained losses due to compounding disasters. Federal programs are designed to be ad-hoc nationwide assistance that often leaves many of Oregon's producers of specialty, perishable, and niche products underserved by federal assistance. The Continuing Appropriations Act, 2022 (Public Law No: 117-43) includes meaningful changes to USDA's disaster assistance; however, the gap in time to implementation and unavoidable gaps in assistant risks leaving Oregon producers with unrecoverable losses. State-level assistance aims to fill the gaps of federal programs and provide bridge assistance to when federal programs are implemented.

A forgivable loan program allows the state to provide emergency assistance to producers with options to forgive the loan amount or recover funds once federal assistance is realized. This structure avoids jeopardizing federal eligibility, retains borrower responsibility, and targets assistance to producers with the highest need. The administration would require coordination with a trusted lending institution(s) within the program structure and agreements. **Increased from \$33Mil to \$40Mil to more fully support hard hit producers and regions of the state. A minimum of 14% is allocated for farmers and ranchers in Jefferson County. Administration costs are included.*

\$1.5 million- For the Oregon Community Food Systems Network (OCFSN) to develop a Disaster Relief Fund for Farmers. This fund will provide direct financial support, in the form of grants, to small-scale farmers impacted by drought, heat, or wildfire; who are unable to access federal disaster relief funds and/or the State's proposed Forgivable Disaster Loan Program. Administration costs would be included at 5% and report back to the Legislature by June 30, 2023.

\$9.75 million- Help to 6-8 districts with US Bureau of Reclamation contracts. Local irrigation districts hit hard by the severe drought resulted in curtailed water delivery to producers. While water availability is dynamic year to year, significant disruption cycles as experienced during 2021 risk threatening the economic viability of local irrigation districts. Irrigation districts assess cost obligations to their patrons in a year where producers are facing losses in part due to limited irrigation water risk being unable to pay those assessments. Excluding the Klamath region, 6-8 irrigation districts have federal

payment obligations that serve producers in persistent D3-D4 drought conditions and have had significant water curtailment. Assisting to ensure a federal payment default does not occur by these districts will help support producers by alleviating that assessment. *Administration costs are included. *Increased from \$2Mil to 9.75Mil to fully support Jefferson Co. and districts.*

- \$5.5 million- North Unit Irrigation District
- \$214,000- Ochoco Irrigation District
- \$48,000- Rogue River Valley Irrigation District
- \$190,000- Talent Irrigation District
- \$135,000- Medford Irrigation District
- \$36,000- Deschutes Basin Board of Control
- \$3.627 million allocated through OWEB for match funding for irrigation modernization projects* (2 Mil for Jefferson County through North Unit ID)

\$1 million - For drought resiliency work in Jefferson County, administered through OWEB.

\$3 million – For emergency soil conservation fund in Jefferson County (OWEB to Jefferson SWCD).

\$1 million - Outreach and Technical Assistance funds to partner with the OSU Extension office statewide to do (*Administration costs are included*):

- \$500,000- Provide technical assistance to small and under-represented farmers and ranchers to access state and federal assistance programs available to them. BIPOC and under-represented farmers and ranchers face significant barriers when accessing federal programs and additional technical assistance can help them access traditional safety nets and federal aid. The administration would be pass-through funds from HECC to OSU Extension.
- \$500,000- Education, marketing and technical assistance for drought resistant crops and conservation and efficiency infrastructure. ODA and OSU Extension will conduct 6-8 regional workshops to bring together federal, state, local, and private partners to provide technical assistance and customer service. Producers would attend to ask questions, obtain information, and receive support in applying for disaster assistance, understand what conservation programs can help mitigate losses from future disasters, and make connections with experts on how to increase their resiliency. The administration would be pass-through funds from HECC to OSU Extension.

\$750,000- research on drought resistance research and implementation. These funds include (*Administration costs are included*) :

\$250,000 – Funding to Oregon State University and working closely with commodity commissions to survey producers.

In the wake of disaster events, it is critical to compile lessons learned, best practices and analyze the "how and why" behind differing levels of impacts and what unknowns are now known. Surveying producers around the state and building a profile of crops, growing practices, geographic dynamics, and other factors will lay the foundation for understanding mitigation efforts. This research and survey data can account for academic and implemented work from other institutions and states and leverage Oregon's commodity commissions to share and compile known and learned information to serve Oregon producers better. The administration would be pass-through funds from HECC to OSU.

\$250,000 – Funding to OSU College of Agriculture for Soil Health Research.

During the 2021 Legislative Session, ODA received federal funds to hire a soil health specialist, an essential role for Oregon agriculture to promote the benefits of healthy soils. However, there is an identified need to research funding at the local level to understand the practice and land management that, when implemented, will increase natural disaster mitigation and resiliency through healthy soil profiles. Research and lived experiences suggest soils that reflected certain characteristics have higher moisture retention, less erosion, and crop protection/resiliency to extreme temperatures. Soil research at OSU College of Agriculture has contributed to climate change mitigation work, and complimentary research supports that ongoing work. Once hired, ODA's soil health position is well suited to connect research and practice to support growers in bolstering on-farm resiliency for future disasters. The administration would be pass-through funds from HECC to OSU.

\$250,000- Oregon Climate Services for research

The Oregon Climate Service (OCS), Oregon's state climate office, is embedded within the Oregon Climate Change Research Institute (OCCRI). The OCS provides and interprets climate and climate change data for diverse users, including the Governor's office, state agencies, local governments, the media, and the general population. For example, the State Climatologist leads the Oregon Drought Monitor Advisory Committee and is a member of the Oregon Water Supply Availability Committee and Drought Readiness Council, supporting the Governor's office and the Oregon Water Resources Department in assessments of water availability and issuance of drought declarations. This office is funded primarily via grants and contracts; however, the volume of technical requests in 2021 has resulted in the need for extra staff to continue the work. The administration would be pass through from HECC to Oregon Climate Services.

\$5 million- Cricket and grasshopper eradication for early spring 2022.

A secondary disaster to drought is historical outbreaks of grasshoppers and crickets that thrive in aired conditions and cause significant damage to the little forage that growers. ODA has an established grasshopper program that is not budgeted or resourced for the level

of acres that need to be mapped and surveyed to establish timely treatment programs. There exists a 2–3-week window in the spring when treatments are the most effective and have minimal environmental impacts. ODA needs additional staff to survey and produce treatment plans for private landowners to capitalize on this concise window. In addition, next year is forecasted to be a critical time to control rapid population growth; ODA is requesting funding to cost-share with private landowners the expense of treatment for participation in our survey program. Modeling this after other states, coupling treatment assistance with participation will incentivize early and highly effective control measures.

To execute and implement all the above efforts and work, ODA is requesting additional staff and resources to support the community and goals of these programs to respond to the compounding natural disasters. *Administration costs are included.*

\$5.75 million –Statewide domestic and community wells assistance. This year’s drought has brought additional strain on a few communities across the state that have seen their community water supplies significantly decrease and have needed to haul water daily to meet basic sanitary needs. Additionally, there have been at least 127 wells that have gone dry outside of the Klamath Basin this year. Funding would be given to communities that have had to truck water daily and either have a long term solution to community water needs or are working towards a long-term solution.

\$400,000 for Prairie City water hauling needs, \$60,000 for Sodaville water hauling, \$1.54 million for domestic well assistance (Funding directed to hard hit counties like Deschutes and Jackson counties to administer domestic well assistance. Other domestic well users can access well assistance in the future through the Oregon Water Resources Departments well program).

- \$400,000 direct to Prairie City
- \$60,000 direct to city of Sodaville
- \$954,800 for Jackson County
- \$585,200 for Deschutes County
- 3.75Mil for OWRD Statewide Well Program

\$300,000- Statewide Drought Vulnerability Assessment for both instream and out-of-stream needs. This is one of the recommendations from the 2016 Task Force on Drought Emergency Response (HB 4113). Conduct a statewide drought vulnerability assessment for both instream and out-of-stream needs. This assessment would look at both instream and out-of-stream vulnerability, asking the risk of and potential impacts to in the short term (1-3 years). WRD would work with a contractor to assess drought vulnerability for agriculture, environment/ecosystem, and domestic uses (municipal and independent households). *Administration costs are included.*

\$10 million- Providing direct payments to agricultural workers who have to miss work to unsafe working conditions resulting from extreme heat or smoke. The funds would be administered from DAS to directly to the Oregon Worker Relief Coalition. The coalition would mirror the universal state-wide application system of the Oregon Worker Relief Fund, which is a community-based initiative supported with public dollars and working

in partnership and collaboration with the state of Oregon and the Office of the Governor. Administration costs are included.

Klamath specific package

\$4 million- Domestic well assistance for Klamath County- funds to Klamath County. These funds would be for (a) mitigation of costs incurred by residents for domestic well mitigation and water tanks/trucking; (b) well improvements (deepening/replacement) or substitute supplies for individual homes; (c) exploration and possible implementation of the development of consolidated community wells; and (d) funding to develop a municipal water filling station in the event of future drought related well failures in Klamath County. These funds would be administered by Klamath County, in cooperation with appropriate state agencies and local agencies such as the Klamath Project Drought Response Agency (KPDRA).

\$3 million- for livestock watering wells and construction of off-channel water facilities for livestock producers and irrigated pasture owners, including Tribal allottees. Livestock watering wells should be located away from a river, stream, natural spring, and downslope of domestic drinking water wells. At sites where stockwater wells are installed, it is recommended that riparian areas are fenced, prohibiting livestock access to riparian areas for the greater majority of the grazing season. Livestock wells should be piped to a drinking water trough with an automatic shutoff valve that prevents water from flowing freely over the ground. Recipients of stockwater wells should provide a grazing management plan or an estimate of stocking rates with consideration for livestock planning to ensure wells are aligned with the stated purposes of Best Management Practices.

\$1 million- for drought resiliency work in Klamath County (administered through OWEB).

\$4 million to irrigation districts and similar entities for reimbursement or offset of assessments charged to patrons/water users for operation and maintenance costs. Specifically, these funds are to be used to address the severe deterioration of a water delivery and drainage system that was deprived of water. There has been invasion by noxious weeds that will have to be removed, somehow, for the system to operate. Additionally, canals and drains are physically damaged by the drying and cracking of soils and pest infestations.

Klamath Tribal Request

\$475,000 -Aquatic resource inventory and restoration work to determine the nutrient loading impact of the Bootleg Fire on Sprague River tributaries, and potential negative impacts on Klamath Lake water quality. There is great concern that the combined effects of drought and the Bootleg Fire will cause massive erosion and sedimentation in the fire-

affected watershed, which is composed of 48 small tributaries and 4 major streams, some of which are home to the threatened Bull Trout.

An immediate action needed in the next six months includes on-the-ground surveys of the riparian areas in the fire zone for erosion potential and to conduct monitoring of sediment and phosphorus loading in the four major streams impacted by the fire (North Fork Sprague, South Fork Sprague, Fivemile Creek, Sycan River).

\$1.5 million – For cultural resource inventory and assessment on lands impacted by the Bootleg Fire. Drought and the Bootleg Fire were interconnected natural disasters to strike the Klamath Basin. The fire burned through and destroyed cultural resources and likely unearthed new cultural sites. The Culture and Heritage Department of the Klamath Tribes require resources to conduct cultural resource surveys to document new sites and impacts to existing sites. Once re-evaluated, a qualified archaeologist will be able to update the site forms with Oregon State Historic Preservation Office (SHPO). Two crews that consist of a qualified archaeologist and three Cultural Resource Technicians can conduct this work

\$6.6 million – Adaptation to chronic drought and persistent fire conditions. Funds would address wildfire management and risk reduction due to wildfire impacts, and forest management to reduce fire risk in both the Bootleg Fire burned area and in adjacent forest areas that are fire-prone due to past management practices. Additionally, funds are required for habitat restoration, including restoration of riparian wetland habitats that retain water and provide natural storage in drought years, and wildlife habitat restoration in those areas impacted by drought and fire.

The Bootleg Fire burned more than one-quarter of the Klamath Tribes' Treaty Rights area and vast areas outside the reservation boundary including winter range habitat of elk and mule deer. The drought and fire have had detrimental effects on already declining populations of subsistence species. However, the overall effects on first foods are unknown causing uncertainty with food security.

Funding is necessary to assess the overall impacts on tribal resources, and have an active role in the planning and implementation of their restoration. There's a short-term need for fire restoration and recovery particularly since the resources that weren't consumed in the Bootleg Fire remain at risk unless we prevent it.

Over a decade ago, the Klamath Tribes' Natural Resources Department partnered with the USFS and others agencies on a Master Stewardship Agreement (MSA) meant to implement restoration projects. More than 10,000 acres of forest treatments have been completed under the agreement, and some of those areas are located within the footprint of the Bootleg Fire. Those areas survived the fire and are referred to as "green islands" in an otherwise devastated landscape.

The following are specific needs broken out by category

- Wildlife Management and Game Enforcement

- Monitoring of mule deer and elk herds in the bootleg fire and surrounding areas to obtain data on subsistence wildlife species necessary to guide management. This will expand on a partially-funded, ongoing study that successfully piloted in 2019-2020.
- Monitoring of big game in the Tribal Treaty lands in the Bootleg Fire area including enforcement additional enforcement officers and equipment.
- Habitat restoration in sensitive areas including meadow systems critically impacted by wildfire and treating areas encroached by conifer trees that drastically decrease wildlife habitat, snow retention, and water capture improving plant diversity and reducing the risk of wildfire.
- Wildfire Restoration, Monitoring, and Risk-Reduction
 - Perform wildfire recovery measures and perform risk-reduction through integrated, landscape-scale, cross-boundary forest restoration and prescribed fire. Develop capacity and tribal crews necessary for interagency participation to reduce the impacts of wildfire, and sustain cultural connections to our land.
 - Develop tribal fire program to cooperatively perform wildfire recovery and prevention activities on private, state, and federal agencies on ceded lands.
 - Develop capacity to perform restoration activities to reduce risk of wildfire and manage utilization forest by-products of forest restoration, including the removal of slash piles and small diameter logs as firewood to heat Tribal Elder's homes.
 - Reduce fuels on the landscape from restoration treatments and utilization of by-products.
- Forest Management and Restoration
 - Implement cooperative forest restoration Monitoring Strategy with the US Forest Service.
 - Conduct Forest and Fuels Planning, agency consultation, and cooperative implementation monitoring with the US Forest Service

\$1.1 million- Additional emergency management staff and equipment within Klamath Tribal government to prepare for chronic drought and chronic severe fire seasons.

Total: \$99.725 million