

My comments are on the portion of the proposed LEMA that would remove 4,000 acre feet of water rights per year from the high priority area surrounding St. John. To provide context for my comments, the irrigated acres in the high priority area can generate almost \$1,000 of revenue per year and potentially an equal amount of expense in purchased inputs. That is almost \$2,000 per acre of economic activity. If 50 irrigated circles (6,500 irrigated acres) are removed, there would be an almost \$13 million annual reduction in direct economic activity (\$2,000 per acre x 6,500 acres). Replacement dryland crops would provide at best a 25 percent offset to this loss of economic activity.

If it is a foregone conclusion that 4,000 acre feet of water rights must be part of the proposal to the U.S. Fish & Wildlife Service, I request that GMD5 avoid permanently retiring water rights. Permanent retirement of water rights is the easiest, fastest approach to reaching a 4,000 acre feet reduction, but I argue that permanent retirement of water rights is economically short-sighted. As previously addressed, irrigated land produces substantially higher annual economic activity than dryland. A buy-out of water rights would provide the water right owners with a one-time infusion of revenue that would come at the long-term expense of the local economy.

Instead, I urge GMD5 to provide maximum flexibility for water right owners to move water rights out of the priority area and to place temporary reductions on water allocations by x percent. To successfully relocate water rights, GMD5 would need to increase its limit on allowable water use in the areas outside of the priority area to accommodate the movement of water rights. Naturally, water right owners outside of the priority area would balk at raising the limit out of fear it could reduce the availability of water for their irrigation systems. However, an understanding is needed that all GMD5 irrigators must stand together in these difficult times brought on by the U.S. Fish & Wildlife Service. Plus, the addition of irrigation wells in these areas will provide opportunity for future generations to have access to irrigated land. It must be kept in mind that almost all irrigators in GMD5 are the beneficiaries of past irrigators that developed the wells.

In the short-run (2019-2023), I urge GMD5 to focus its proposal on temporary reductions in water allocations to achieve the 4,000 acre feet of water savings. Relocating (not retiring) water rights out of the priority area should be allowed over the long-run to help achieve the 4,000 acre feet of water savings, but the 5-year proposed timeline for moving water rights is largely unachievable since relocating water rights requires time and money to purchase land and drill wells. Given the current dire agricultural economy, many irrigators may not be currently financially able to relocate water rights, but they might be able to move them if the 5-year timeline is extended.

In conclusion, please do not permanently retire water rights as the short-term gain is not equal to the long-term economic loss. Instead, I urge GMD5 to achieve the 4,000 acre feet of water savings by focusing on providing maximum flexibility for relocating water rights out of the priority area and through temporary reductions in water allocations.

Thank you for your consideration of my comments,  
Max Fisher

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