

Nebraska Farm Bureau President Keith Olsen urged the legislature to repeal the water checkoff on corn and sorghum in testimony on Jan. 29 in support of LB 689.

Speaking to the Natural Resources Committee, Olsen said Farm Bureau has two primary concerns with the use of checkoff revenues for the Water Resources Cash Fund.

First, checkoffs on commodities traditionally have been used to fund programs designed to stimulate use and demand for that commodity. Diversion of checkoff revenue to another purpose would be precedent-setting, he said.

He told senators: “As you no doubt know, it’s a precedent farmers don’t want to see.”

On the second point, Olsen said, “Farm Bureau members believe strongly all Nebraskans have an interest in resolving our water challenges, and as such, funding for water programs should be broad-based.

“The economic benefits of use of water in irrigation are distributed widely. A Nebraska Policy Institute study showed that roughly one-third of the economic benefits of irrigation accrue to the farmer and two-thirds accrues to the economy at large. The state and local communities benefit from irrigation through greater sales and economic activity, higher property tax base, and more taxes collected,” he said.

Using checkoff revenues to fund the Water Resources Cash Fund leans disproportionately on agriculture, Olsen said.

“Farmers are already contributing directly through regulatory and voluntary reductions in water use. Reduced water allocations mean reduced yields and reduced income per acre.”

Farm Bureau's opposition to the water checkoff shouldn't be viewed as a lack of commitment to finding financial resources to address the state's water challenges, Olsen emphasized. Funding is needed for research, implementing integrated management plans, and programs and management activities to resolve conflicts and manage our water resources soundly in the future.

"Dollars are needed to fund these needed programs. Farm Bureau is ready to work with the legislature and other interested parties to find the appropriate funding source," he said.