Tule Basin
LAND & WATER CONSERVATION TRUST

2024/2025 Land Fallowing & Cover Cropping Program

Program objective and overview:

The Land Fallowing & Cover Cropping Pilot Program (Program) has been offered to all GSA's in the Tule Subbasin designed to assist Irrigation Districts and GSAs in addressing structural long-term water shortages and subsidence in the region by incentivizing landowners and/or operators to plant a cover crop that will reduce groundwater use, protect soil on fallowed land, reduce dust emissions, and provide temporary habitat for birds and other wildlife. To help alleviate demand for groundwater pumping within GSAs' service area, participants will be asked to forego the use or transfer of any transitional pumping allocations associated with the acreage enrolled in the program for the year(s) of participation. As a benefit to participants, any ET use by the cover crop will be waived by the GSA and not counted against a participant's water supply.

Program structure:

The program will be implemented as a reverse auction, with applicants submitting bids on a per acre basis for the incentive payment they need to be paid for participating in the program. Bid pricing will be a part of the application evaluation process, with bid ranges receiving a point value for ranking purposes. As part of enrolling in the Program, participants will plant a cover crop from a list of approved cover crop varieties. Participants may submit joint applications with neighboring landowners/operators to increase the total number of contiguous acres in an application. The Tule Basin Land & Water Conservation Trust will administer the Program, in coordination with the GSAs. The Nature Conservancy and Audubon California will provide technical assistance on program design, implementation, and monitoring of habitat outcomes on participating properties.

Key Program Details:

- Contracts may range from a minimum of 1 year to a maximum of 5 years. Applicants proposing a contract greater than one year will score higher. ***At this time there is no funding secured for subsequent years; therefore, continued enrollment cannot be guaranteed.***
- Timeline:
  - RFP Release August 26, 2024
  - Applications Due September 16, 2024
  - Award Announcement October 1, 2024
  - Procurement of Cover Crop Seed November 1, 2024
  - Plant by December 31, 2024
  - Crop termination September 30, 2025, program year end
- Twenty acres minimum.

- Contracts are ranked on location, total acreage, price, aquifer, subsidence zone, management practices, habitat commitment, commitment term and recharge.
- Approved cover crops: see attached list.
- Enrolled acres must have been farmed within the last 3 years.

Ranking and Scoring Process:

All bids will be ranked and scored by the Land Fallowing & Cover Cropping Program Selection Committee, which includes representatives from the Tule Basin Land & Water Conservation Trust, the GSAs, The Nature Conservancy, and Audubon. The committee will assess bids according to standardized methods.

The following items can result in high scoring: a commitment to fallow for longer duration, applications for large contiguous acreage, lands pumping from the lower aquifer, participating in recharge, using grazing as a management practice, low bids and/or committing to crop maintenance or habitat.

The following items can result in lower scoring: single year applications, lands that have been fallowed outside of a fallowing program in any of the prior 3 years, minimal acreage, lands pumping from the upper aquifer, not within one mile of a DAC or conservation space, high bids, and not incorporating habitat and/or management practices.

The **aquifer** level that will not be pumped from because of participation will be determined by the well depth and location within the subbasin, verification will be conducted via the local GSA. The lower aquifer will typically be below the Corcoran clay (between 400-800 feet) or in areas where Corcoran clay is not present below 500 feet.

Groundwater dependent areas are lands without access to surface water and are solely dependent on groundwater extraction. An individual in a groundwater dependent area would not have the ability to participate in recharge, just as an individual eligible for recharge points would not be eligible for groundwater dependent area points.

To receive points for **recharge** the landowner must agree to set up the field(s) to take on water by installing a border prior to planting and have access to surface water, as well as agree that should surface water be available for recharge they will incur the cost associated with recharge. The landowner will be given credit for recharging by their district per district policy. Recharge points are not available to groundwater dependent land.

Previous participants must have participated in the previous year's (2023/2024) program and commit the same number or more acres than were committed the previous year.

Although the Tule Trust has been successful in securing funding over the last three years and has applied for funding to cover the next five years, it is unknown if funds will be awarded; therefore, we want to encourage landowners to commit to multiple **years of enrollment** ranging between 1 to 5 years. Those committing to participation for more than one year will receive a higher point score and be committed to participation only if continued funding is available. (anticipated award announcement for five years of funding is October 2024)

Bid value ranges are also scored, although the point of a bidding process is to obtain best pricing, it is also the desire of the program to maximize the number of acres enrolled.

The number of **acres enrolled** in the program by each landowner will also influence scoring, not to discourage those applicants only able to commit to a limited number of acreages, since every acre fallowed will aid in gaining groundwater sustainability, but to encourage contiguous large swaths of land that can provide additional benefits.

Allowing for varied **management practices** can also provide additional benefits beyond groundwater savings, by reducing ET (evapotranspiration), increasing the microbial population, and providing deeper root penetration.

Deploying management practices in fields supporting habitat prior to July 31st will destroy habitat; therefore, those wishing to support habitat can make the choice to not implement management practices for all committed acres or a percentage of the committed acres (minimum of 20 acres). For instance, if a landowners **habitat commitment** is 100% of their enrolled acres, they will receive 20 points under the habitat commitment, if they also choose to deploy management practices after July 31st zero points for management practices will be given; however, if they choose to commit 50% of their enrolled acres (20 acre minimum) to habitat and to deploy management practices on the other 50%, be it mowing or grazing, they would receive points for management practices at either 5 points for mowing or 10 points for grazing along with 10 points for habitat. Those wishing to graze or mow after the habitat season are welcome to do so for half the points for the method used.

At no time during the contract term (October 1 – September 30) can the crop be harvested

FAQs

Can I participate if my land is enrolled in a land flex fallowing program?

Participants can only participate in one of the two programs. However, the GSA allows lands to opt out of the GSA-based fallowing program and enroll in the Trust Program.

I am a tenant farmer. Am I still eligible for this program?

Yes, provided you provide a copy of the lease demonstrating lessee control of property during the duration of the Program agreement for the enrolled property and a letter from the landowner agreeing to forgo the transitional pumping credits during the same term.

Will I be responsible to irrigate the cover crop if there is not enough rain and the cover crop fails to germinate?

No. The approved cover crops are designed to be drought tolerant. In this program, participants who plant specified cover crops within the time required will not be penalized for lack of germination due to inadequate rainfall.

When will I be paid?

- Payment #1 -25% of the contract value will be reimbursed upon verification of planting (January).

- Payment #2 - 25% of the contract value will be released in April.
- Payment #3 – 25% of the contract value will be released in July.
- Payment #4 - Final 25% will be paid at the end of the program term released in October.
- Those enrolling in multiple years will be paid under the same schedule annually.

What are my responsibilities as a grower?

- Coordinating with program staff and partners to allow access to monitor the fields
- Plant and maintain the cover crop as per program agreement and management practices for the full term of the agreement.
- Communicate in writing with program staff on any requests for deviation.
- Participants wishing to exercise their right to sink water for ground water recharge, per program requirements, should indicate so at time of bid and prepare fields accordingly prior to planting. No ground disturbance will be allowed after planting.

Will these payments be considered taxable income?

Yes. These payments are considered taxable income, and the Tule Trust will provide 1099 annually.

Who will enforce the terms of the agreement?

The Tule Basin Land and Water Conservation Trust is responsible for ensuring the terms of the agreements are met.

What are the consequences of violating the agreement?

Failure to meet the obligations of the agreement will result in the withholding of any payment not already issued. Harvesting any amount of crop within the contract term will require repayment of payment one plus 50% of the total crop value harvested regardless of sale. If the crop is not sold, value will be determined on the average price of the current market. Weight sheets will be used to determine total harvest. Should weight sheets not be provided tonnage will be based on estimated tons per acre based on current harvest rates.