

CALFED POLICY REGARDING LAND RETIREMENT  
--INTERNAL DRAFT FOR DISCUSSION PURPOSES ONLY--  
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The approach to land retirement in the ten scoping alternatives raised more concerns than any other single aspect during scoping. The ten alternatives included both temporary fallowing during periods of shortage, and permanent land retirement. Permanent retirement was included in the alternatives as a measure to improve water quality by reducing discharges from drainage problem lands, and as a demand management measure.

The magnitude of permanent land retirement varied among the alternatives. At the low end of the range, several alternatives proposed 70,000 to 100,000 acres of permanent land retirement, primarily as a water quality measure. At the upper end of the range, the alternative entitled *Extensive Demand Management* proposed 750,000 to 850,000 acres of permanent land retirement, reducing evapotranspiration by over 1.5 million acre-feet per year.

Many stakeholders have emphasized that land retirement is not a water use efficiency measure. It does reduce water demand in the agricultural sector, but carries with it several disadvantages:

- It takes farm land out of production at the same time that California is losing other lands due to urbanization in fast-growing Central Valley areas;
- It reduces food and fiber production at the same time demand for agricultural products is going up proportionally to population growth;
- It has the potential to cause severe third-party impacts; and
- It may conflict with several CALFED solution principles such as equity, implementability, reduce conflicts, no significant redirected impacts.

In response to scoping comments, discussions with stakeholders and members of the Bay-Delta Advisory Council, and further evaluation, CALFED will not consider permanent land retirement as a demand management measure.

The Program will continue to consider permanent land retirement as a potential measure to improve water quality. In this context land retirement will be considered in an area limited to drainage management problem areas on the west side of the San Joaquin Valley. The Program recognizes that there are several strategies available to manage agricultural drainage from these lands, so there may be alternatives to land retirement. Further refinement will be necessary to determine the range of acreages considered for retirement to improve water quality. However, this range will not exceed [70,000? 100,000?--somebody with more technical knowledge will

have to determine this...] acres.

There are two other circumstances under which land fallowing or retirement might take place. First, during drought periods, local irrigation districts and growers may elect to implement fallowing in order to make adequate water supplies available to other lands for crop production. This approach would be the result of integrated resources planning carried out at the local level.

Second, if the CALFED Program reduces physical conveyance constraints across the Delta and reduces institutional constraints to water transfers, a more active water market may be the result. This water market could prompt local decisions to temporarily fallow or permanently retire land in order to make water available for other uses. It may be necessary for CALFED to develop mechanisms to guard against social or environmental impacts that could result from an unrestricted water market.

The Bay-Delta Advisory Council has established a Water Use Efficiency Work Group which will continue to advise the Program on policy issues related to land retirement.