

Testimony from John A. McDonald to the Senate Committee on Environment and Natural Resources

February 2, 2012

Chair Dingfelder and Members of the Committee

Thank you for the opportunity to speak. I strongly encourage passage of SB 1511.

My experience with ecosystem services and markets takes several forms: I have an ecosystem service project on my farm helping mitigate a public agency's needs. I am chair of the Tualatin Soil and Water Conservation District which has run an ecosystem services program since 2004 and quite successfully. I am treasurer of the Willamette Partnership which has been building essential tools to make these services work. And I am on the National Association of Conservation Districts Executive Board and 2012 Farm Bill Work Group whose principles and lobbying focus on ecosystem services and a few hundred other farm bill topics. We are advocating for a national program that does almost exactly what SB 1511 would do.

Oregon farmers are good at growing all sorts of things, like berries, grains, critters, and in my case nuts. But we are also good at keeping soil healthy, keeping water clean, cold, and clear and making homes for fish and wildlife. When we take care of the land and water, we are contributing to a healthy ecology, more stable economy, and good communities.

Farmers, ranchers, and foresters have a strong conservation ethic. It would be totally stupid and self-defeating for us not to take care of our natural resources. We depend on them to earn a living. If you own a business, I can't imagine your running through your operation smashing the computers, burning the office furniture, and punching holes in the tires of your delivery trucks.

Ecosystem service programs create some new revenue options for farmers as they diversify their business.

A number of us farmers in the Tualatin Watershed are saving the wastewater ratepayers of Washington County tens of millions of dollars every year. In this case, we farmers are getting paid a little to do that. The program is a rather complex partnership of the Farm Service Agency, Clean Water Services, Tualatin SWCD, OWEB, and landowners.

In the Tualatin, farmers get annual rental payments of about \$300/acre to lease their riparian area for restoration. In Medford, about 100 farmers will receive lease payments.

This bill opens the door for more conversations about how to expand some of these early successes.

The work being done here in Oregon has caught the attention of farm groups nationally too.

USDA has invested several million here in Oregon because we are leaders, and Secretary Vilsack regularly points to Oregon's leadership on ecosystem services. I met with James Gore, Special Assistant to the Chief Dave White, of the USDA Natural Resources Conservation Service, two days ago in Nevada. We talked about the growing strength of ecosystem services. He's coming in July to meet folks here in Oregon, starting with a visit to my orchard.

That reputation for leadership puts Oregon farmers at an advantage in a time when federal Farm Bill programs and other funding sources are at risk. I have been on the NACD Farm Bill Task Force drafting principles for the 2012 Farm Bill. Conservation is taking a hit.

In my humble opinion, ecosystem service markets are a better way of wisely applying the public's money to get cost-benefit results.