

**Climate Assessment Response Committee (CARC) Meeting
August 22, 2006**

Members Present:

Jamie Karl, Chairman
Mark Kuzila
Steve Soberski for Ann Bleed
Cindy Newsham for Roger Lempke

Don Wilhite, also sitting for Elbert Dickey
Jack Daniel
Barb Cooksley
Merwin Fricke

Members Absent:

John Erickson

Chairman Jamie Karl called the meeting to order at 1:34 p.m. He provided an overview of drought mitigation activities to date.

Mark Svoboda and Mike Hayes with the National Drought Mitigation Center and State Climatologist Al Dutcher presented the Water Availability and Outlook Committee (WAOC) report. Svoboda began by showing U.S. Drought Monitors from February, April, June, and August 15. He noted that in June, when CARC last met, conditions weren't too bad in eastern Nebraska, but the remainder of that month and July saw deteriorating conditions. He showed Change In Drought Monitor Classification maps to show the decline in conditions since last fall and noted the whole central United States was subject to the poor conditions.

Rainfall in mid-August caused a one-level drought classification improvement in the eastern part of Nebraska, but the improvement will be temporary, Svoboda said. As of August 13, 96 percent of Nebraska was classified in at least a D-1 drought on the U.S. Drought Monitor. Seventy-one percent was in at least a D-2 classification.

Mike Hayes provided the Nebraska Water Supply Update. He showed the U.S. Geological Survey map of seven-day average streamflow for August 21, which reflected the improved flows in eastern Nebraska due to the recent rain.

Hayes reviewed the current situation regarding Lake McConaughy. He noted that last year, at this time, the lake was eight feet above 2004's record low. Conditions were looking to improve in February 2006, when the Bureau of Reclamation forecast snowmelt of 130 percent of normal, but by June 2006, that forecast had changed to less than 50 percent of normal. At present, he said, the lake is at 21 percent of capacity, and 5.6 feet below the level it was at last year at this time.

Hayes said the Republican River basin was hit hard in July, and irrigation releases were shut off for several districts. Record low flows are still occurring at Guide Rock, even though

Harlan County Reservoir shut off releases on July 23. August rains were spotty, but helped crops, he said. The reservoirs in the basin are behind levels last year at this time.

Dutcher reviewed Nebraska's current conditions. A Departure from Normal Precipitation map for the growing season shows that some parts of the state have done well, Dutcher said. He noted the map reflects the ongoing drought struggles in western and central Nebraska. Monsoonal flow moisture has helped the eastern part of Nebraska over the past couple of weeks, Dutcher said, and he has heard that soybeans and pastures have responded well to the precipitation.

Dutcher reviewed root zone water charts for selected areas and noted that extension educators have told him that they have seen a very distinct difference in moisture retention between no-till fields and those that have been tilled.

Dutcher said the forecast going into the fall carries a great deal of uncertainty. He noted there is better than a 50 percent chance that Nebraska will experience the effects of a weak El Nino, giving the state poor chances for moisture improvement. He also said it appears the areas that feed Nebraska's rivers do not have a high probability of snowpack improvement for the coming season.

Following Dutcher's report, Don Wilhite noted The Weather Channel was in Nebraska recently filming a piece on drought that will air later this year.

Mark Wilke with Nebraska Farm Service Agency reported that 49 Nebraska counties have received Secretarial primary disaster designations due to drought. Ten additional counties are eligible for emergency loans because they are contiguous to the disaster counties. Disaster Assessment Reports have been requested for the remaining 44 counties and will be reviewed by the State Emergency Board in the coming weeks. He said the recent rainfall will probably affect the number of counties that meet the designation criteria.

Wilke noted the disaster designations serve a number of purposes, including as criteria for ad hoc disaster programs and for tax deferral on forced livestock sales.

Greg Reisdorff with Nebraska Farm Service Agency reported that 46 Nebraska counties have been authorized for emergency grazing and haying of Conservation Reserve Program (CRP) acres. An additional seven have been authorized for emergency CRP grazing and haying in a portion of the county. Reisdorff noted that normally those that utilize this option are required to forfeit 25 percent of their rental payment, but earlier this summer, USDA changed the reduction amount to 10 percent due to the drought. Also earlier this summer, USDA expanded the area from which producers in designated counties could receive CRP grazing and haying opportunities.

University of Nebraska-Lincoln public policy specialist Brad Lubben summarized a report he authored on the economic impact of the 2006 drought on Nebraska crop and livestock production. His review took into account crop impacts due to lost yield and lost acres, as well as the impact of increased irrigation expenses. He also calculated grazing losses. His estimates

showed crop losses of \$98 million, the bulk of which is from wheat; increased irrigation pumping costs of \$51 million; and grazing losses of \$193 million for total losses of \$342 million.

Lubben noted the crop losses are based on estimates, not final production numbers, and the losses are figured using current prices. The final tally also does not include a local economic impact multiplier.

He reviewed the current proposed drought assistance package that is part of the U.S. Senate's FY07 Agriculture Appropriations bill. The legislation includes crop disaster assistance, but for 2005 losses, not 2006. Other portions of the package include a livestock assistance program and an economic loss assistance program that is based on 2005 direct payments. The economic loss assistance payments are related to increased energy expenses and not necessarily related to drought, he said.

Chairman Karl and Lubben discussed the differences between this proposed disaster assistance package and the package that was approved by Congress to address the 2002 drought.

Chairman Karl noted the fact that the crop figures are not worse are indicative of the importance of irrigation in Nebraska. Mark Harris with Nebraska Agricultural Statistics Service agreed and said it also shows the significant gains made by crop breeders in creating more drought tolerant seed.

Chairman Karl said Lubben's report would be important for the Nebraska Congressional Delegation to have during drought assistance discussions.

Jack Daniel, co-chair of the Municipal Water Supply, Health and Energy Subcommittee of CARC, provided the public water supply report and noted that only 26 systems are restricting water use at this time.

Producer members Merwin Fricke and Barb Cooksley reported on conditions in their respective areas.

Chairman Karl noted he would be forwarding a meeting report to Governor Heineman.

The meeting adjourned at 3:20 p.m.

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