WGA Policy: Western Governors believe states should identify and promote innovative ways to allow water transfers from agricultural to other uses (including urban, energy and environmental) while avoiding or mitigating damages to agricultural economies and communities.

WGA and WSWC are undertaking a year-long project on innovative water transfers, with an emphasis on activities that can be implemented at the state level.

Project funding from the Walton Family Foundation.
Building on Current Efforts…

Deschutes Water Alliance
Water Bank
Balancing Water Demand in the Deschutes Basin

Agricultural-Urban-Environmental Water Sharing:
Innovative Strategies for the Colorado River Basin and the West

A Collaborative Effort of the Agricultural-Urban-Environmental Water Sharing Work Group

www.westgov.org
Recommendations to the States:

- States can facilitate voluntary transfers of water rights or portions thereof by implementing a comprehensive transfer program that builds on existing western state law permitting transfers.

- States could review their transfer regulations to make sure that the transaction costs associated with transfers are as low as feasible consistent with the protection of vested interests in water use and the protection of public values.

- States... should consider the establishment of water banks... to bring potential transferors and transferees together.

Plan for the Workshop

Input on Water Transfers

- First workshop, we introduced project with states and flagged key topics.
- This workshop, we plan to address three topics in depth:
  - Local Solutions
  - Administration and Transaction Costs
  - Impacts to Areas of Origin

Input on Project Execution

- People and partners, schedule and timelines, key objectives and deliverables
- Issues to be addressed in report
- Participants and topics for third workshop.
Goals and Work Plan

Goals
● Provide states with the tools and capacity to improve water transfers or water sharing practices in the West, while avoiding or mitigating damages to agricultural economies, rural communities, and environmental values.
● Not about value judgments, universal consensus, or a blueprint for transfers.

Work Plan
● Three stakeholder workshops:
  ● Bend, OR (July 2011); Denver, CO (Oct 2011); Las Vegas, NV (Dec 2011)
● Research: state surveys, case studies, and literature review – Spring 2012.
● Report: Delivered to the WSWC and WGA – Fall 2012.
● Follow-Up: Outreach and Evaluation.
Working Definition of ‘Water Transfers’

**Water Transfer:** A voluntary, market-based agreement (e.g. sale or lease) that results in a temporary or permanent change in the use of water and/or a water right.

Water Transfers can be local or remote, they can be temporary or permanent, and they can move water among agricultural, municipal, industrial and environmental uses.
Potential Topics for 3rd Workshop

1) Innovative Strategies/Conservation/Tools/Guidelines;
2) Quantification/Administration/Water Rights;
3) Transaction Costs;
4) Water Quality;
5) Municipal/Securing Permanent Water Supplies;
6) Infrastructure – Las Vegas.
7) Env/Water Quality/Endangered Species Act (as a driver or obstacle to transfers) – Las Vegas.
8) Impacts to Areas of Origin (e.g. Spending Community Funds) – Denver.
9) Australia – Markets and Agriculture
10) Fostering Local Solutions.
11) Tribal Transfers.
Draft Outline for the Report

1. Introduction
2. Background on Water Transfers
3. Review of Current State Practices
4. Factors or Considerations for Water Transfers
5. Types of Agreements or Institutions
6. Programs or Toolbox for States
7. Conclusions, Recommendations, and Next Steps