

# **Release of Agricultural Water Conservation Funds – House Bill 1437**

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**Water Operations Committee Meeting  
Feb. 19, 2025**



# Project Funding

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- Land leveling cost-share
- HB 1437 administration



# Land Leveling Cost-Share Recertification Program

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# Background

- **2006-2013 land leveling cost-share program:**
  - About 30,000 acres leveled
  - Estimated savings: about 5,000 acre-feet per year

# **Background (Continued)**

- **15-year useful life of original HB 1437 leveled fields began expiring in 2021, and all previously funded fields will expire by 2028 without recertification**
- **As of 2024, 60% of the total acres funded in the original program have expired**
  - 2,659 expired acres were in production in Garwood Agricultural Division
- **In 2024, savings from original land leveled fields was 975 a-f**
  - Savings represents 2,119 acres of fields in production in Garwood



# Program Goals

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- **Maintain water savings to help meet HB 1437 no net loss requirements and water savings goals by:**
  - Funding restoration of HB 1437 fields with permanent levees to original design specifications
  - Redesigning original HB 1437 fields to fund permanent levee field designs



# Water Savings Goals

- **HB 1437 program:**
  - Meet Brazos River Authority projected demand of 13,300 a-f by 2030
  - Current three-year average savings: 12,652 a-f (includes two years of curtailment)
  - Projected savings for 2024: 10,930 a-f (only Garwood)
  - Projected savings decrease to 10,500 a-f in 2025 if full curtailment
  - Brazos River Authority demand was 3,177 a-f in 2024

# Land Leveling Program Rules

- **Stipulates how the fields and structures are funded, qualifying for design restoration work and upgraded designs up to 50% of the cost**
  - Eligible funding amount tied to cost per yard of dirt moved and cost per structure rate caps set annually
- **Includes permanent levee design, levee density, minimum levee structure size, minimum surface water use and survey requirements**
- **Includes only previously leveled fields irrigated with LCRA water at least twice in the past 10 years**



# **Cost-Share Funded Fields 2023-2024**

- **3,109 total acres recertified on 38 fields since 2023 for a total estimated LCRA cost of \$377,000**
  - 70% acreage funded to redesign fields from temporary to permanent levee design
  - 30% acreage funded to restore original permanent levee design
- **Field redesign requires moving about three times as much dirt as restoring permanent levee designs**
  - Average cost: \$80 per acre for restoration, \$320 per acre for redesign

# Timeline

- **January 2025:** Open 2025 application period
- **February 2025:** LCRA Board action to continue funding through 2027
- **March 2025:** Cost-share program application deadline
- **June 2025:** Cost-share program grants awarded

# HB 1437 Program Administration

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# Program Needs

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- **Annually, about \$25,000 is spent on administration of the program, including:**
  - Quality assurance/quality control contractor land leveled field inspection work
  - Savings verification studies
  - Generation of the annual report



# HB 1437 Financial Status

- **Agricultural Water Conservation Fund balance: \$4.53 million (as of December 2024)**
  - Revenues in 2024: \$508,020
  - Funds available: \$4.2 million
- **Proposed expenditure request: \$500,000**
  - \$450,000 for land leveling program over three years (FY 2025-FY 2027)
  - \$50,000 for HB 1437 program administration (FY 2026-FY 2027)



# **Agricultural Advisory Committee Support**

- **Staff met with the Agricultural Advisory Committee on Dec. 13, 2024**
- **Staff answered several questions from committee members**
- **Committee unanimously recommended the expenditure of up to \$500,000 from the Agricultural Water Conservation Fund for:**
  - Land leveling recertification cost-share program
  - Administration of the HB 1437 program
    - Water savings verification studies
    - Annual report funding



# LCRA

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