Agricultural Groundwater Transfers in Nebraska

Decision Process for Buyers & Sellers

**ECONOMIC BASIS**

For buyers and sellers to consider a transfer, it should make economic sense. Farmers need to understand the relative profitability of irrigated and non-irrigated land. Many entities help growers to better understand potential returns from water access in agriculture.

**INFLUENCERS**
- Commodity and producers’ groups (e.g., Nebraska Commodity Boards, Nebraska Corn Growers Association, Nebraska Farm Bureau)
- Agricultural lending entities (e.g., Farm Credit Services of America)
- USDA agencies (e.g., Risk Management Agency, Agricultural Research Service, Natural Resources Conservation Service)
- Conservation groups (e.g., The Nature Conservancy)
- University research, extension, and education (e.g., Testing Ag Performance Solutions)
- Management Agency, Agricultural Research Service, Natural Resources Conservation Service
- Crop & irrigation consultants
- Data providers (e.g., The Climate Corporation)

**AGRONOMIC SUPPORT SERVICES**
- Agricultural retailers (e.g., Bayer, Corteva, Syngenta)
- Crop & irrigation consultants
- Data providers (e.g., The Climate Corporation)

**ENABLING ENVIRONMENT**

Federal, state, and local level water law, regulations, and institutional support structure allowing water transfers to take place legally.

**REGULATORY/ENABLING FRAMEWORK**
- Correlative and reasonable use doctrines for groundwater
- Prior appropriation doctrine for surface water
- The Endangered Species Act (1973)
- Nebraska Legislative Bill 962 (2004)
- Natural Resources Districts (NRDs)
- Nebraska Dept. of Natural Resources
- Integrated Management Plans
- Basin-wide Plans
- Multi-state agreements & programs
  - The Republican River Compact
  - The South Platte River Compact
  - The Upper Niobrara River Compact
  - The Big Blue River Compact
  - The North Platte Settlement
  - The Platte River Recovery Implementation Program
- Water rights holders
  - Other agricultural landowners
  - NRDs (instream flows)
  - Public Water Suppliers (instream flows)
  - Game and Parks Commission (instream flows)
  - Other surface water rights holders

**TRANSFER IMPLEMENTATION**

Administrative and physical infrastructure needs that must be considered to understand the costs and procedural details associated with the transfer execution.

**ADMINISTRATIVE PROCESS**
- Water brokers (match sellers and buyers)
- Water lawyers (provide legal advice)
- County Assessor/Register of Deeds Office (provide title search report, identify lienholders)
- Lienholders (give consent)
- Natural Resources Districts (analyze streamflow impact, issue well permits, approve transfers, co-administer hydrologically connected water transfers with Dept. of Natural Resources & irrigation districts)
- County clerk’s office (record the transfer, update the title)

**PHYSICAL IMPLEMENTATION**
- Well drilling and pump installation contractors (e.g., Nebraska Well Drillers Association)
- Irrigation equipment dealers (e.g., Valley Irrigation, Lindsay, Reinke)
- Irrigation flowmeters
- Energy (e.g., public power districts)

The graphic identifies three major steps in the agricultural groundwater transfer process. Each decision comprises main entities, institutional support structures, or procedures that need to be considered to make well-informed decisions. This work was supported by USDA.

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