Floodplain management means both managing flood losses while at the same time managing and conserving the natural and beneficial functions of floodplains. The nation’s agricultural policies have a direct impact on both of these objectives.

The ASFPM has often reported on the escalation of flood damage within the nation and continues to believe that this is a serious threat. However, it is still not known precisely what proportion of overall flood damage is related to agriculture and what is related to urbanized areas. On a qualitative basis, there are benchmarks such as that provided by the 1993 Midwest floods, during which agricultural losses accounted for about 50% of the damage. At the same time, if flood losses are assessed on a per capita basis, they tend to be many times higher in agricultural states than in urbanized areas.

In past decades there was more of a sense of a comprehensive vision that combined floodplain management and flood loss reduction within the nation’s agricultural programs. However, due to loss of funding, transitions in agricultural programs, and—perhaps most important—a loss of federal coordinating mechanisms, the floodplain management component of agricultural programs seems to have lost its direction. This is problematic both in terms of managing flood losses and managing floodplains.

Over the last 15-years, programs for building dams and levees, such as that of the Natural Resources Conservation Service’s Small Watershed Program, have given way to conservation easement programs, many of which are applied in floodplains and wetlands. These programs produce a double benefit because they eliminate or reduce economic flood losses while simultaneously promoting the conservation of open space and related natural functions.

However, these programs were successful primarily because crop prices were moderate and our ability to produce crops exceeded demand for them. This situation, which dominated the latter half of the 20th century, has changed and the new reality is likely to endure for the foreseeable future. That is, increased oil prices have resulted in a large demand for the alternative fuel ethanol, which is produced from grains or other biomass. In 2007 alone, this demand for grain for ethanol production has resulted in a three-fold increase in corn prices.

These higher prices will make it increasingly attractive for agricultural producers to put conservation lands, many of which are floodplains, back into crop production. The net result can only be significant increases in flood damage and the loss of natural watershed functions.

Thus there is an immediate need to evaluate agricultural policies and the degree to which they influence both flood damage and the conservation of natural and beneficial functions. This is particularly necessary since today’s national agricultural flood policy appears to be a marginally functioning remnant of programs from the past.

The National Research Council should be funded to undertake an evaluation of agricultural policies and their impact on flood losses and on the management of floodplain resources and functions. This may require a multi-phase approach that would include the identification and inventory of Department of Agriculture programs that have an impact on flood loss reduction; an inventory of conservation practices and projects; and finally an expert-level assessment of the current status of agricultural programs and their impact on floodplain management.
Continued and enhanced funding should be provided for the popular and effective agricultural conservation programs that promote the protection and enhancement of the natural and beneficial functions of floodprone lands and of watersheds. Ways should be sought to refine and expand these programs so that floodplain protection is improved.

The payments made under the Conservation Reserve Program and other agricultural programs that protect floodprone lands should be tied to the current market prices of commodities.

Federal agencies should seek to better integrate the federal agricultural programs that can contribute to the reduction of flood damage with the federal programs of other agencies that seek to mitigate flood damage.