

CONSERVATION COMMUNITY'S PRINCIPLES AND RECOMMENDATIONS FOR STRENGTHENING THE FARM BILL CONSERVATION TITLE

The Conservation Title programs, funding and authorities have never been more important than they are today as we re-start serious deliberations about reauthorization of the farm bill.

The voluntary conservation programs and conservation compliance provisions established in the farm bill have delivered great benefits to farmers and ecological integrity over the last 25 years. These benefits include increased farmland sustainability, a dramatic reduction of soil erosion of more than 40 percent, a dramatic decrease in net wetlands loss on farmland, the preservation and enhancement of critical habitat for endangered species, and substantial financial return for farmers and landowners. These gains have been hard-fought, but there is still a lot of work to do.

Far too many water bodies in the U.S. remain impaired for fishing, swimming, and drinking. Crop and livestock production are among the largest sources of the harmful nitrogen, phosphorus, and sediment causing these impairments. Agricultural activities are also one of the largest causes of habitat destruction for endangered and threatened species.

Current market and policy factors are exacerbating these existing agricultural-environmental problems and threatening to roll back the gains of the federal conservation programs. Prices for basic commodities are expected to remain historically high for the foreseeable future as economic growth in the developing world spurs growing demand for food, fiber, and fuel. High prices are already pushing farmers to plant fencerow to fencerow, intensify production on existing farmland, and convert environmentally sensitive land to crop production.

Moreover, a dramatic increase in fruit and vegetable production will be necessary if we are to come close to meeting nutritional guidelines with domestic production. Biofuel mandates and subsidies are already adding fuel to the fire, and production of biomass for electricity generation will further intensify the scramble for land and water resources.

Our changing climate is becoming less friendly to agricultural production, which will make meeting these challenges even more difficult. Volatile weather and extreme events are already more evident in the climate record since 1970, and it is likely that intensified droughts, floods, and storms will continue to beset agriculture throughout this century.

Our natural resources and environment simply cannot stand up to this pressure unless conservation intensifies in lock step with production. We will not be able to sustain high levels of agricultural production if we allow our soil and water resources to degrade, especially in the face of challenging weather and increasing prices for energy and other inputs. Moreover, we clearly will fail to sustain critical ecological functions such as drinking water, fish, wildlife, biodiversity, and watershed health if the new farm bill takes a step back from its commitment to conservation.

We will have to run faster and be smarter just to stay where we are today. And where we are today is not where we need to be. In order to meet these challenges, we the undersigned organizations affirm the following set of principles and recommendations.

I. MAINTAIN ROBUST CONSERVATION FUNDING

The Conservation Title programs, funding and authorities have never been more important than they are today as we resume deliberation of the farm bill. Funding must be adequate to continue critical conservation programs at robust levels.

We recognize there will be pressure on many farm bill titles to find savings. However, the Conservation Title has already given more than its fair share through the annual appropriations process. Since passage of the 2008 Farm Bill, nearly 80 percent of all “changes in farm bill mandatory program spending” have come from Title II, accounting for a cut of over \$2.5 billion. Sequestration has also begun to cut into conservation spending this fiscal year and will reduce the conservation budget by a total of another nearly \$2.5 billion, unless that process is reversed by Congress. Moreover, the new Conservation Title will have to fill the substantial funding gap left by the expiring budget baseline for the Wetlands Reserve Program and Grassland Reserve Program.

Now is not the time to do further damage to the conservation baseline. In the face of severe erosion, water depletion, mounting energy prices and one of the worst droughts in decades, we need a bigger, not smaller, investment in farm conservation to protect the land that is our long-term food security.

To maintain robust conservation funding, we urge Congress to --

- Account for funding reductions already made by subsequent congressional action since the last farm bill in applying any deficit reduction formulas to the major farm bill direct spending titles.
- Rescind sequestration with respect to the Conservation Title and to put an end to the unfair and unsustainable annual practice of making changes in mandatory program spending and applying them almost entirely to conservation.
- Oppose the continued use of the “changes in mandatory program spending” mechanism that has been used in recent years to rewrite the farm bill on an annual basis.
- Support the House and Senate 2012 provisions to make farm bill conservation funding available until expended.

II. HARMONIZE CROP SUBSIDIES AND CONSERVATION

In order to ensure that the agricultural safety net works in harmony with conservation programs, conservation accountability provisions should be strengthened – and enforced – to blunt the unintended consequences of farm programs. We must maintain the requirement that agricultural producers and their landlords undertake a basic level of soil and water conservation on vulnerable lands and protect wetlands. In addition, those who plow up native grassland or other environmentally sensitive land should be ineligible for USDA benefits on those lands. Critically, conservation accountability should also be expanded to crop insurance since it is now the largest farm safety net program. Crop and revenue insurance policies also should not discourage the adoption of conservation practices and activities as is sometimes now the case. In short, farm bill

funding must not subsidize the destruction of wildlife habitat areas or degradation of soil and water resources and must not create an artificial barrier to the adoption of sound stewardship practices.

To better harmonize crop subsidies and conservation, we urge Congress to –

- Retain all existing conservation accountability provisions and to re-establish the link between conservation accountability provisions and crop and revenue insurance premium subsidies. This action will improve conservation outcomes, create a more level playing field for farmers, and result in a better and more cost-effective risk management policy for agriculture and the American taxpayer.
- Adopt a nationwide ‘sodsaver’ provision to eliminate or greatly reduce the premium subsidies available for the destruction of native prairie and other prime grassland, and oppose discriminatory applications of ‘sodsaver’ provisions to farmers and landowners in only limited geographic regions.
- Provide a definition of acceptable conservation practices and activities within crop insurance law and clarify that acceptable conservation practices and activities are ‘good farming practices’ for insurance purposes.

III. IMPROVE CONSERVATION PERFORMANCE, RESULTS AND EFFICIENCY

Focus for Effect – Significant improvements in performance can be achieved by focusing conservation resources where the opportunities for environmental outcomes are greatest. The new farm bill must allocate far more assistance to project-based and outcome-oriented initiatives focused on local priority resource concerns and the most critical areas, while still continuing to help farms in all regions improve conservation of natural resources. In addition, the farm bill must continue to protect and restore the most environmentally important lands – such as wetlands, floodplains, and grasslands – and the most critical wildlife habitat. Program conservation outcome measurement, evaluation, and reporting are critical and should be granted a secure funding source. Restoration of educational assistance will also improve program delivery and effectiveness.

To better focus for effect and support improved conservation outcomes, we urge Congress to –

- Adopt as a Conservation Title-wide principle to maximize conservation and environmental outcomes – consistent with each program’s purposes -- per dollar spent.
- Include a title-wide approach to measuring, evaluating, and reporting on natural resource and environmental outcomes, closely coordinated with ongoing Resource Conservation Act, Conservation Effects Assessment Program, and Government Performance and Results Act activities, and funded through a dedicated funding stream. The lack of such a mechanism to ensure program accountability, continuous improvement, and adaptive management is one of the biggest shortcomings of the 2012 provisions for the Conservation Title, one that should be rectified in the new versions.
- Adopt a consolidated Regional Conservation Partnership Program in the farm bill, but with significant improvements to the 2012 House and Senate versions in order to increase natural

resource and environmental outcomes. To make the program effective on the ground, two options must be added: partners should be able to receive funds to provide technical assistance, and payment-for-performance projects should be eligible to encourage producers to achieve assessed conservation outcomes via payments and technical assistance linked to those outcomes. Funding should be set at \$100 million a year plus at least eight percent of the dollars or acres of the underlying programs of the title. Sixty percent of total funding should be allocated for national priorities, with 60 percent of that subtotal targeted to critical conservation areas. The 2012 Senate nutrient management provisions should be retained.

- Enhance the focus for effect and streamline the Conservation Stewardship Program by simplifying the ranking process to base it on a single total conservation and environmental benefit factor, with cost retained as a tie breaker.
- Increase the Conservation Stewardship Program's national average payment rate on a cost neutral basis to increase farmer and rancher selection of the most beneficial conservation enhancements.
- Better target the Environmental Quality Incentives Program to maximize conservation and environmental outcomes through an increased emphasis on the most cost-effective practices to address priority resource concerns.
- Create a voluntary Conservation Reserve Program long-term and permanent easement option to increase conservation benefits, farmer options, and cost effectiveness.
- Include stronger conservation and wildlife habitat criteria in the new grassland option within the Conservation Reserve Program.

Streamlining – Every dollar in the Conservation Title must be used wisely, so the farm bill should: reduce unnecessary administrative burdens; support the NRCS conservation delivery streamlining initiative; and authorize no new programs unless they are successors to existing programs or new combinations or variations of existing programs.

To accomplish streamlining, we urge Congress to --

- Retain the overall consolidated Agricultural Conservation Easement Program structure from the House and Senate 2012 bills and provide it with permanent funding, but at more robust funding levels. Include the two year waiting period provision and include an enhanced version of the Senate 2012 farm viability provision for agricultural land easements.
- Retain the 2012 House and Senate provisions to meld the Wildlife Habitat Incentives Program into the Environmental Quality Incentives Program, but make the consolidation equitable by designating at least 10 percent of the combined program to wildlife habitat practices.
- Retain the House 2012 provision to allow a seamless transition between the Conservation Reserve Program and the Conservation Stewardship Program.

Pay for Performance – Conservation programs can achieve better outcomes at lower cost if they pay for quantifiable environmental outcomes – such as units of water conserved, pounds of nitrogen losses reduced, or functional area of habitat provided – and if they vary payment rates to incentivize higher levels of performance. The conservation programs must move in this direction, pilot new approaches, and take advantage of emerging technologies for estimating performance.

To provide options for paying for performance, we urge Congress to –

- As mentioned above, adopt within the Regional Conservation Partnership Program an option for partners to propose projects that encourage producers to achieve assessed conservation outcomes via technical and financial assistance linked to those outcomes.
- Support continuation of a strong Conservation Stewardship Program. CSP payments are based directly and solely on estimated conservation performance, the closest any current farm bill conservation programs come to the payment for performance principle.

Whole-Farm Systems – The Conservation Title should support whole-farm, sustainable, and organic conservation systems in addition to individual practices. These whole-farm systems have the potential to drastically improve environmental outcomes.

To obtain the conservation benefits from whole farm system approaches to conservation, we urge Congress to –

- Include a whole farm system option within the purposes for the Regional Conservation Partnership Program.
- Add a Conservation Stewardship Program supplemental payment option for Managed Intensive Rotational Grazing and for Organic Cropping and Livestock Systems, parallel to the current option for Resource-Conserving Crop Rotations.

Technical Assistance – Conservation technical assistance (TA) to farmers and ranchers is critical for maximizing the effectiveness of the programs, but it is chronically underfunded. An increased share of total Conservation Title funding should be devoted to TA.

To improve program performance with respect to technical assistance, we urge Congress to –

- Make more mandatory technical assistance available for the wetlands easement program to enhance its effectiveness and reduce the substantial restoration backlog.
- Provide for technical assistance funding for partners under the Regional Conservation Partnership Program, which will help maximize the effectiveness of the partnerships in achieving conservation outcomes.
- Include support for Strategic Watershed Action Teams (SWAT) to help producers plan and implement conservation practices to address priority resource concerns.

IV. ENHANCE EQUITY AND OUTREACH

More needs to be done to ensure conservation programs are accessible to all segments of the agricultural community. The conservation programs have historically underserved women and racial and ethnic minority farmers and landowners. New and beginning farmers and ranchers require additional conservation technical and financial assistance to lock in good stewardship for the next generation. Special funding pools for these groups, higher cost-share rates, and targeted outreach should continue, as should efforts begun in the last farm bill to provide conservation resources to underserved fruit and vegetable producers.

To improve equity and outreach in the delivery of farm bill conservation programs, we urge Congress to –

- Retain the House 2012 provision to increase the advanced cost share payment option in the Environmental Quality Incentives Program for beginning and socially disadvantaged farmers and ranchers to 50%.
- Fully fund for the five years of the new farm bill the Conservation Reserve Program-Transition Incentives Program (CRP-TIP) to encourage the transfer of land returning to production to new farmers adopting and implementing comprehensive conservation plans.
- Direct the Administration to increase the percentage of technical assistance apportioned for working with new beginning farmers.
- Eliminate the separate and unequal Environmental Quality Incentives Program payment limit for organic farmers, currently set at a fraction of the limit for all other farmers.
- Include an organic farming initiative within Conservation Stewardship Program similar to the one already in the Environmental Quality Incentives Program.
- As mentioned in whole farm systems above, provide livestock options, not only a cropping option, within the Conservation Stewardship Program's supplemental payment provision.
- Support a restored educational assistance and outreach initiative, with dedicated funding, to improve program outreach and enhance program outcomes.

ORGANIZATIONS SUPPORTING THESE PRINCIPLES AND RECOMMENDATIONS

(List in Formation)

American Farmland Trust
American Rivers
Audubon
Audubon Minnesota
California Climate and Agriculture Network
Carolina Farm Stewardship Association
C.A.S.A del Llano
Center for Rural Affairs
Chesapeake Bay Foundation
Dakota Rural Action
Defenders of Wildlife
Ecological Farming Association
Environmental Working Group
Friends of the Mississippi River
Grassworks
Gulf Restoration Network
Illinois Stewardship Alliance
Institute for Agriculture and Trade Policy
Iowa Environmental Council
Iowa Natural Heritage Foundation
The Izaak Walton League of America
Kansas Rural Center
Kentucky Waterways Alliance
Land Stewardship Project
Lower Mississippi River Foundation
Lower Mississippi Riverkeeper
Michael Fields Agricultural Institute
Michigan Organic Food and Farm Alliance
Midwest Environmental Advocates

Midwest Organic and Sustainable Education Service
Minnesota Center for Environmental Advocacy
The Mississippi River Traveler
Missouri Coalition for the Environment
National Association of State Conservation Agencies (NASCA)
National Catholic Rural Life Conference
National Center for Appropriate Technology
National Sustainable Agriculture Coalition
National Wildlife Federation
Natural Resources Defense Council
Nebraska Sustainable Agriculture Society
New England Farmers Union
Northeast Organic Dairy Producer Alliance
Northeast Sustainable Agriculture Working Group
Northwest Center for Alternatives to Pesticides
Oregon Tilth
Organic Valley Family of Farms
Pesticide Action Network North America
Practical Farmers of Iowa
Pollinator Partnership
Soil and Water Conservation Society
Tennessee Clean Water Network
Union of Concerned Scientists
Virginia Association for Biological Farming
The Wetlands Initiative
Women Food and Agriculture Network
World Wildlife Fund