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Should Conservation Programs be Prioritized?

BACKGROUND

The conservation title of the Farm Bill provides important assistance to producers and landowners to adopt conservation activities on agricultural and forest lands. This assistance provides funds for adopting practices to protect and improve water quality and quantity, soil health, wildlife habitat, and air quality by addressing natural resource issues and benefiting productivity of agricultural working lands.

The 2014 Farm Bill consolidated conservation programs, reducing the number of USDA conservation programs from 23 to 13, reduced the Conservation Reserve Program (CRP) cap from 32 million acres to 24 million acres by 2018, re-linked crop insurance premium subsidies to Conservation Compliance, and continued emphasis on conservation rather than retirement land programs.

ISSUE

The major conservation programs are:

Environmental Quality Incentives Program (EQIP)

Eligible participants may receive financial and technical assistance to implement conservation practices, conservation planning, and other activities to address natural resource concerns. Contracts last up to ten years with a \$450,000 payment limit. The ability to waive the payment limit has been removed.

The 2002 Farm Bill removed the restriction on providing assistance to large confined livestock operations to construct animal waste management facilities and required the Natural Resources Conservation Service (NRCS) to direct 60 percent of EQIP assistance to livestock producers. The 2014 Farm Bill continues this emphasis on livestock.

The general EQIP, also known as state and local EQIP, provides opportunities to address priority local or state resource concerns. National EQIP incentives include a number of initiatives including, Air Quality, On-Farm Energy, Organic, Strikeforce, High Tunnel System, Landscape, Conservation Innovation Grants, and the Colorado River Basin Salinity Project.

Conservation Stewardship Program (CSP)

CSP is the largest conservation program in the US with 70 million acres of productive agricultural and forest land enrolled. CSP assists producers in maintaining and improving existing conservation systems and facilitates the adoption of additional conservation practices.

CSP contracts have a minimum annual payment of \$1,500 with contracts lasting five years. CSP includes the option to renew if one successfully fulfills the contract and agrees to additional conservation objectives.

Conservation Reserve Program (CRP)

CRP is a voluntary conservation program administered by the Farm Service Agency (FSA) aimed at conserving soil, water, and wildlife resources by removing highly erodible and environmentally sensitive lands from agricultural production.

The 2014 Farm Bill provided for a “step down” of the acreage cap over the five-year life of the bill from no more than 27.5 million acres in 2014 down to no more than 24 million acres in 2018. Contracts are for 10 to 15 years and provide yearly rental payments for removing these lands from production.

Regional Conservation Partnership Program (RCPP)

RCPP is a new program created in the 2014 Farm Bill in order to streamline the process for multi-state and regional projects to address watershed or regional needs. The program consolidated four programs (the Agricultural Water Enhancement Program, the Chesapeake Bay Watershed Program, the Cooperative Conservation Partnership Initiative, and the Great Lakes Basin Program) into one program that supports projects that improve soil quality, water quantity, and quality of wildlife habitat. RCPP projects are selected through a competitive, merit-based process with partner resources leveraged to achieve project goals.

Conservation Compliance

The 2014 Farm Bill relinked conservation compliance to crop insurance premium subsidies and participation in commodity support programs and all conservation programs. To participate in these crop insurance or commodity programs, all producers must file a form AD-1026 with their local FSA office.

OPTION #1

Should the Environmental Quality Incentives Program funding requirement continue to direct 60 percent of the assistance to livestock producers?

OPTION #2

Should the acreage cap for the Conservation Reserve Program be increased to allow more producers to participate in the program or should it remain at the 2018 level?