

**Testimony of
Jonathan Coppess
Farm Service Agency Administrator
Before the House Committee on Agriculture
Subcommittee on Conservation, Credit, Energy and Research
July 1, 2010**

Mr. Chairman, Ranking Member, and Members of the Subcommittee, thank you for the opportunity to discuss implementation of conservation programs and the technical assistance required to place conservation practices on the ground.

The Farm Service Agency (FSA) implements several highly successful conservation programs. The largest of the conservation programs, the Conservation Reserve Program (CRP), has resulted in more than 31 million acres of grasses, trees, riparian buffers, filter strips, restored wetlands, and high-value wildlife habitat. The Emergency Conservation Program (ECP) provides emergency funding to farmers and ranchers to rehabilitate farmland damaged by natural disasters and for carrying out water conservation measures in periods of severe drought. FSA and the Natural Resources Conservation Service (NRCS) jointly administer the Grassland Reserve Program, which is a voluntary conservation program that emphasizes support for working grazing operations, enhancement of plant and animal biodiversity, and protection of grassland under threat of conversion to other uses.

As soon as the interim rule is published FSA is prepared to begin administering the Voluntary Public Access and Habitat Incentives Program, a newly authorized 2008 Farm Bill program. This program will provide grants to States and tribal governments to encourage owners and operators of privately held farm, ranch, and forest land to voluntarily make their land available

for public access for wildlife-dependent recreation, including hunting or fishing. The funding for this program is administered by State and tribal governments. We expect the interim regulation for this program to be published this summer, and also have scheduled several tribal consultation sessions across the United States beginning in August, to receive input from tribes before we draft the final rule.

To implement our conservation programs, FSA relies on technical assistance from NRCS, the Forest Service, the Fish and Wildlife Service, the Department of Energy, State Forestry agencies, State agricultural, fish and wildlife- and environmental departments, conservation districts, non-governmental organizations, and the private sector. These partners help us with numerous activities that fall under the umbrella of technical assistance, including eligibility determinations, conservation plan development, conservation practice development and implementation, outreach to farmers and ranchers, and monitoring the impacts of conservation programs.

Today, I will discuss how FSA works with technical assistance providers in each of our major conservation programs. Much of our technical assistance interaction is with NRCS, and we greatly appreciate their efforts, as well as the efforts of our many other conservation partners.

Conservation Reserve Program (CRP)

The Conservation Reserve Program provides cost share assistance and annual rental payments to farmers and ranchers to establish conservation covers. Numerous conservation practices are available to farmers and ranchers, including grasses, trees, filter strips, riparian buffers, wetland

restoration, and high-value wildlife habitat. A conservation plan is required for each CRP participant.

FSA has an agreement with NRCS to provide conservation planning for CRP participants, specifying the responsibilities of each agency. For instance, NRCS is responsible for certain technical eligibility determinations and for developing conservation plans, while FSA is responsible for compliance determinations and consultations with other federal agencies, such as the U.S. Fish and Wildlife Service. The agreement also specifies reimbursement rates based on NRCS's Cost of Programs model. The current agreement was negotiated after the 2008 Farm Bill and is in effect through 2012.

Prior to the beginning of each fiscal year, FSA and NRCS meet to discuss anticipated needs for the coming year and develop a cost estimate. FSA reimbursed NRCS \$62.3 million in fiscal year 2008 and \$56.3 million in fiscal year 2009.

FSA has a similar agreement with the Forest Service to provide conservation planning for participants installing tree practices under both the CRP and the Emergency Forestry Conservation Reserve Program. CCC funds are provided to the Forest Service, which distributes those funds to State Forestry agencies in the form of technical assistance grants. State Forestry employees provide technical assistance services. FSA is reimbursing the Forest Service for \$1.9 million in both 2008 and 2009.

Beginning in 2006, FSA explored providing technical assistance through private sector vendors. Private sector vendors can be used to redirect technical assistance when NRCS experiences high

workload and would have difficulty providing timely completion of CRP conservation plans.

Under FSA authorization, Kansas, Nebraska, Washington, North Dakota and Minnesota have all implemented pilot programs using private sector firms to develop conservation plans. Though the scope of these projects has been limited, we generally do not find that the private sector plans cost less than equivalent plans developed by NRCS. We are, however, generally pleased with the quality and timing of the plans developed by these partners.

Although the National Agricultural Statistics Service (NASS) is not one of our “traditional” technical service providers, I would like to mention their efforts. The 2008 Farm Bill provided direction for the Secretary, acting through NASS, to conduct an annual survey of cash rental rates. We have coordinated with NASS and will plan to use their statistically reliable cash rent data as a basis for establishing CRP rental rates.

Conservation Reserve Enhancement Program

The Conservation Reserve Enhancement Program (CREP), a component of CRP, is a partnership among USDA, tribes, states and, in some cases, private groups. By combining CRP resources with state, tribal, and private programs, CREP provides farmers and ranchers with a sound financial package for conserving and enhancing natural resources.

State agricultural and environmental agencies are required to contribute significant technical assistance resources for CREP development and implementation, including outreach, conservation planning, and engineering services. They also monitor CREP outcomes. State

agricultural and environmental agencies typically contribute ten percent of the total project cost in the form of “in kind” technical assistance services.

Emergency Conservation Program

The Emergency Conservation Program (ECP) provides emergency funding and technical assistance for farmers and ranchers to rehabilitate farmland damaged by natural disasters and for carrying out emergency water conservation measures in periods of severe drought. Funding for ECP is discretionary and is generally made available in supplemental appropriations acts.

Between six and seven percent of ECP funding is used for technical assistance, or approximately \$1 million annually.

FSA provides technical assistance for certain ECP practices, including debris removal, fence restoration and grading and shaping of damaged land. FSA has an agreement with NRCS to provide technical assistance for practices requiring greater conservation expertise, including restoration of conservation structures and other installations as well as drought emergency measures. FSA also has an agreement with the Forest Service to provide technical assistance for ECP for hurricane disasters that affect tree stands.

Timing of this assistance is critical to meet the oftentimes urgent needs of producers facing damage from disasters. FSA and NRCS staffs work hand in hand at the state and county level to provide efficient and timely service to producers. For instance, FSA and NRCS staffs in Tennessee are working at the State and County level to provide assistance to farmers affected by recent flooding.

Grassland Reserve Program

FSA and NRCS jointly administer the Grassland Reserve Program (GRP). GRP is a voluntary conservation program that emphasizes support for working grazing operations, enhancement of plant and animal biodiversity, and protection of grassland. Applications may be filed for a rental contract or an easement with NRCS or FSA.

Participants voluntarily limit future development and cropping uses of the land while retaining the right to conduct common grazing practices and operations related to the production of forage and seeding, subject to certain restrictions during nesting seasons.

NRCS is responsible for administering the easement acquisition process, while FSA is responsible for rental contracts and payments. NRCS provides leadership on regulations and provides all on-the-ground technical assistance for both easements and rental contracts. FSA manages financial assistance funds, which includes making payments for rental contracts and easement acquisition. Both agencies collaborate on policy decisions and day-to-day program management.

Monitoring, Assessment, and Evaluation

Monitoring, assessment, and evaluation is necessary both for CRP assessment and reporting, and for providing sound science essential for effectively administering CRP and other conservation programs. The need for monitoring, assessment, and evaluation of conservation programs has been recognized by Congress in the 2002 and 2008 Farm Bills, and the 2008 Farm Bill includes

language defining technical assistance to include “ ...activities, processes, tools, and agency functions needed to support delivery of technical services such as ...monitoring and effects analyses.”

FSA uses Federal, State, university, and other organizations to conduct monitoring, assessment, and evaluation of the effects of conservation programs. The results are used to improve program delivery, target program resources, quantify program benefits, and communicate program accomplishments. Between 2003 and 2008, FSA used \$2.25 million from multiple funding sources to identify, quantify and document environmental benefits generated by CRP. These analytical results have been used: to develop conservation initiatives using highly beneficial CRP practices; to develop environmental goals for the FSA strategic plan; and to guide CRP decisions, such as informing USDA’s decision not to permit ‘early outs’ from CRP contracts in 2008.

CRP monitoring and evaluation activities are coordinated with, and complement, USDA’s Conservation Effects and Assessment Program (CEAP). CEAP is a multi-agency, multi-year program tasked with ascertaining the effectiveness of conservation practices, such as those implemented under CRP, in providing environmental benefits.

Other Technical Assistance

FSA also implements programs to review potential exposure to potential hazardous materials associated with the operation of former grain storage facilities or associated with foreclosed properties. FSA uses private sector engineering firms and agreements with the Department of

Energy to use Argonne National laboratory to conduct groundwater site investigations and to develop remediation protocols.

Technical Assistance Savings and Coordination

FSA and NRCS have significantly reduced technical assistance costs over the past ten years. FSA, with assistance from NRCS, automated the environmental benefits index calculations for the CRP general signup in 2003. In addition, FSA and NRCS automated field-level information regarding soil erodibility and other features, allowing the automation of eligibility determinations and reducing costs. FSA and NRCS further streamlined the tasks necessary to implement technical assistance for CRP. Because of these automation and other streamlining changes, the costs of general signup activities were reduced by approximately 30 percent per contract and the costs of continuous signup activities by approximately 18 percent per contract.

The re-enrollment of expiring 2007-2010 CRP contracts offered additional opportunities for streamlining and cost savings. FSA and NRCS reviewed the tasks required for re-enrollment activities and agreed to implement changes that resulted in significant savings for all re-enrollment contracts. In addition, FSA worked with NRCS and agreed to make adjustments to NRCS model estimates to reflect time savings on CRP contracts with forestry-only practices.

Technical assistance costs for these contracts were reduced by 29 percent per contract.

Further, FSA and NRCS work together to facilitate implementation of their various program-related workload constraints. For example, FSA provides projections of potential CRP enrollment activities to NRCS to help NRCS plan for potential workload demand changes.

Conclusion

Technical assistance is a vital component of effectively and efficiently placing conservation practices on the ground. Each form of technical assistance--including timely and efficient conservation plan development, broad outreach to current and potential program participants, and monitoring and assessment on conservation program impacts--helps conservation programs achieve their intended purpose. FSA works closely with Federal and non-Federal partners to ensure all FSA program participants receive high quality technical assistance to meet program requirements.