



LEOPOLD CENTER

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FOR SUSTAINABLE AGRICULTURE

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**Attn: CSP**

February 25, 2004

David McKay  
Conservation Operations, NRCS  
PO Box 2890,  
Washington, DC 20013-2890

Dear David:

We strongly urge you to reconsider the proposed rules governing the Conservation Security Program (CSP). This program is extremely important for the future of U.S. agriculture and if the rules are not presented in an acceptable, accessible manner, farmers will reject the program. Once they have decided that the benefits of the program are not worth the effort of enrolling, it will be very hard to get them to reconsider their decision.

Recent hearings in Des Moines, Iowa reflected the broad base of support and level of interest in the CSP. Many farm groups and divergent conservation, rural life, and concerned groups, along with individual farmers, all testified in favor of the program. I urge you to listen to their voices. Now is the best time to act to change the current CSP farm payment structure.

We offer some specific comments:

1. The proposed rule does not carry out the law. The rule should be written to implement the law which was written by Congress as an uncapped entitlement program. If there are budget constraints, they should be handled administratively rather than affecting the rule.
2. The proposed process is very complex and will prove burdensome to potential applicants. It must be simplified if people are to exercise their opportunity to participate.
3. The eligibility rules for the program are too restrictive and need to be broadened so participation is not hampered.
4. There is limited opportunity for state-level involvement in the entire process. This is inconsistent with all other conservation title programs.
5. The rule restricts resource concerns while the law includes all resource concerns. All resource concerns should be eligible.

We have considerable experience working with farmers. They will shy away from things that are too complex and do not offer a high benefit/cost ratio. The rules, as they are currently written, make participation extremely complicated and offer very little in return. Please consider this when you issue the revised rules.

We are sympathetic to the budget constraints that affected this set of rules. But, the law and not the budget should drive the rules. If the first set of rules makes the program highly unattractive, revised rules may simply be ignored. So, it is imperative that they be as succinct and attractive as possible the first time.

Given the financial constraints in FY04, it would be more advantageous to grant the available funds to the states and let them determine the best way to implement the program. Then as more funding becomes available, it will be possible to keep the program moving. Other possible alternatives have been proposed. But, whatever method is used, it should be one that makes the CSP attractive and not one that will doom it to failure from the start. This is exactly what the current rules will do.

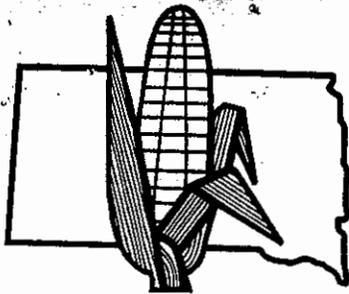
Thank you for your attention. If I can be of any assistance, please do not hesitate to call on me.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Duffy", written in a cursive style.

Michael Duffy  
Associate Director

cc: Secretary of Agriculture Ann M. Veneman



## South Dakota Corn Growers Association

3801 South Western Avenue, Suite 100  
Sioux Falls, South Dakota 57105

February 27, 2004

Conservation Operations Division  
Natural Resources Conservation Service  
P.O. Box 2890  
Washington, DC 20013-2890

Attn: Conservation Security Program

The Natural Resources Conservation Service (NRCS) is issuing a proposed rule with a request for comments regarding the implementation of the Conservation Security Program (CSP). This proposed rule describes how NRCS will implement CSP to provide financial and technical assistance to agricultural producers who conserve and improve the quality of soil, water, air, energy, plant and animal life, and support other conservation activities. As such, the South Dakota Corn Growers Association (SDCGA) is submitting comments on the proposed rule.

SDCGA is a non-partisan association committed to promoting the profitability of South Dakota corn producers. SDCGA works to promote corn and improve profitability through influencing public policy and legislative efforts. While the concerns and programs of SDCGA encompass a myriad of issues, the organization is dedicated to focusing attention and its resources on the areas that most vitally affect production, including marketing, research and expanded domestic and international trade. The combined effects of these efforts are essential in achieving increasing profitability and efficiency of production for South Dakota corn farmers.

### *General Comments*

SDCGA supports the Secretary's vision for CSP to reward owners and operators of agricultural lands for their conservation stewardship efforts, and assist them with the implementation and maintenance of additional conservation measures that can improve the natural resource conditions of their agriculture operations. However, the proposed rule and the fiscal cap \$41 million for FY 2004 will present severe challenges to meeting the needs and objectives of the average corn producer in South Dakota, let alone producers across the entire nation. When CSP is fully funded at \$2 billion, SDCGA supports a program that would be available to all watersheds in the country, and that the program's requirements would not be overly restrictive for producer participation.

Given these challenges, SDCGA would prefer that the first year of CSP be treated as a special pilot program that would be limited to one watershed priority area per state. By



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having a CSP pilot program and limiting to one watershed priority per state, NRCS would ensure a minimum number of farmers in each state to participate, as well as measure the treatment of identifiable resource concerns to a level that meets or exceeds the appropriate non-degradation standard according to the NRCS technical guide.

In addition, SDCGA continues to be actively involved in state water quality debates. SDCGA strongly supports the use of sound science facts to set water quality policy and the use of voluntary programs to assist farmers in meeting water quality goals. CSP should help corn growers achieve these goals. SDCGA further suggests that NRCS recognize the importance of surface water quality and include it in its criteria list.

*Eligibility:*

SDCGA has concerns over the eligibility requirements of the CSP proposed rule. Under the proposed rule, a farmer would have to have control of the land for the life of the proposed contract period. Any land that a farmer did not have control of could not be part of CSP, yet the farmer would be required to implement and maintain the same conservation practices and standards on that part of the operation.

SDCGA believes the land control requirements will be difficult for producers. Very few producers have control of all the land they farm for the length of time; five to ten years, envisioned by CSP. Most producers rent land on an annual bases and the size and makeup of their operations varies from year-to-year. SDCGA also believes that it is highly unlikely that landlords would agree to long-term leases.

SDCGA agrees with NRCS that enhancement provisions of CSP should be specifically designed to showcase highly effective conservation activities and demonstrate how more intensive management activities can improve the resources and provide for more efficient resource utilization and energy conservation. However, some of these requirements will unnecessarily exclude worthy corn growers from CSP.

*Contracts:*

NRCS's goal to reward the best and encourage the rest is a good one. However, for many producers contracts will be limited or severely restricted because of the cost to address all resource concerns on an entire operation. To a certain extent producers will follow a cost benefit analysis of a proposed project's cost to the benefits that accrue with the application of conservation practices. SDCGA encourages NRCS to establish requirements that are thorough but not overly prohibited to ensure that participants undertake and maintain high levels of stewardship.

SDCGA is also concerned about producer benchmarks. SDCGA does not support including in the regulation a requirement that producers use a self-screening tool or benchmark inventory. Instead, the inventory should be a tool available to producers to help them determine their eligibility for the program.

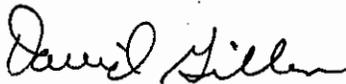
*Enrollment Categories:*

SDCGA believes it is necessary to prioritize applicants based on their existing level of conservation performance and their willingness to undertake additional conservation activities above and beyond the regulatory contract requirements for their tier of participation. However, NRCS should not be overly restrictive when developing the criteria for construction of the enrollment categories such as the soil conditioning index, soil and water quality conservation practices and systems, and grazing land conditions.

SDCGA also encourages NRCS to ensure the enrollment categories and subcategories are fairly and consistently applied to all farmers across the nation. Today, many conservation programs are not consistently implemented on the local or state level. Inconsistent application of conservation laws, programs and standards can have the unintentional effect of helping one farmer while hurting another and diluting environmental benefits.

SDCGA appreciates the opportunity to submit these comments. We hope these comments have provided NRCS with helpful, as well as practical ideas on this proposed rule and the agency's effort to improve CSP.

Sincerely,



David Gillen  
President  
South Dakota Corn Growers Association