

2004



Eugene Lamb
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To: FarmBillRules <FarmBillRules@USDA.gov>
cc:
Subject: NACD Comment Letter

09/20/2004 11:51 AM

Greetings -

Attached is a letter containing comments from the National Association of Conservation Districts relative to the interim final rule for the Conservation Security Program

Eugene Lamb

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NACD Comments on CSP interim final rule 9-20-04.doc

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September 20, 2004

Financial Assistance Programs Division
Natural Resources Conservation Service
P.O. Box 2890
Washington, DC 20013-2890

FarmBillRules@usda.gov

Attn: Conservation Security Program

Dear Sir or Madam:

On behalf of the nation's 3,000 conservation districts, I am pleased to submit comments relative to the interim final rule (IFR) for the Conservation Security Program authorized by the Farm Security and Rural Investment Act of 2002.

First, we applaud NRCS on conducting the first sign-up for the CSP. Initial indicators lead us to believe this first sign-up was a success in launching the program. As you may be aware, however, our 118 member districts in the 18 CSP watersheds were substantially involved in the sign-up and we are currently soliciting feedback from them. It is likely that, based on the feedback we receive, we will submit additional comments prior to the extended October 5 deadline.

The interim final rule published by NRCS responded to several of our comments on the proposed rule by reducing the reduction factor on stewardship payments, raising the cost-share payment rate, revising the definition of an agricultural operation and improving the treatment of forest land practices. However, the interim final rule still limits cost-share rates to a maximum of 50 percent—the law allows 75 percent—and continues to apply a reduction factor to the stewardship payments. We do not believe that rates that were prescribed in the law should be restricted.

The interim final rule still uses a targeted watershed approach rather than a full national program and maintains soil quality and water quality as the only significant resource concerns. We continue to find these constraints to be at cross purposes of the stewardship objectives of the CSP.

The following are detailed comments and recommendations on issues we have identified in the interim final rule.

- **Nationwide Program:** Allow open enrollment for all eligible producers nationwide and delete all references to offering the program to producers only in targeted watersheds.
- **Stewardship Payments:** While the IFR mitigates the reduction of stewardship (base) payments, the rate is still below the statutory level. The final rule should provide base payments as directed by the statute: "A base payment under this paragraph shall be the average national per-acre rental rate for a specific land use during the 2001 crop year; or another appropriate rate for the 2001 crop year that ensures regional equity." States should be given flexibility in developing "another appropriate rate" to ensure regional and local equity specified in the law.

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- **Cost-Share Rate:** Provide the full, statutorily authorized cost-share payment of up to 75 percent of the average county costs of practices for the 2001 crop year for implementing new practices and for maintaining existing land management, vegetative practices and structural practices. Eligible practices should include all approved practices in the local NRCS Field Office Technical Guide.
- **Locally Led Conservation:** To ensure that CSP is truly a locally led conservation program, the state conservationist should be required to obtain advice from the state technical committee and local workgroups on the development of the state program technical policies, payment related matters, outreach efforts and other implementation issues. In addition, latitude should be given to the state conservationists and their staffs to craft the program to meet the most pressing environmental and conservation needs in their state or regions of their state.
- **Resource Concerns:** The determination of soil quality and water quality as national resource concerns places primary emphasis on these resource concerns rather than addressing the full range of other conservation concerns—spelled out in the statute—that may be more relevant to various regions and locales. The rule should allow the locally led process to determine what resource concerns are most critical to the local environment.
- **Agricultural Operation Definition:** The IFR defines agricultural operation as “all agricultural land, and other lands determined by the Chief, whether contiguous or noncontiguous, under the control of the participant and constituting a cohesive management unit, that is operated with equipment, labor, accounting system, and management that is substantially separate from any other.”

We generally concur with this definition, but feedback from the first sign-up will be needed to determine if it is a practicable definition.
- **Eligibility:** The proposed rule includes three eligibility restrictions that are not in the statute and were likely never intended by lawmakers. The requirement to meet both soil and water quality criteria prior to participation in Tier I and Tier II, the watershed approach and the use of enrollment categories will limit program participation in ways we do not believe were intended in the law.
- **Forest Land Eligibility:** The IFR sets size limits in the definition of “incidental forest land,” such that individual parcels that are not part of a linear conservation practice are limited in size to 10 acres or less with a combined acreage, not to exceed 10 percent of the total offered acres. We believe the “incidental” language in the statute would permit a more flexible definition in the rule along the lines of “not to exceed 10 percent of total offered acres” rather than the dual restriction 10 acres/10 percent. In fact, we believe even 20 percent of the total acres offered could be considered incidental. It seems inappropriate to omit incidental forest land from contracts when it is an incidental part of an overall agricultural operation.
- **Length of Sign-up Period:** Conservation districts support a continuous sign-up for the CSP, similar to the continuous CRP sign-up. Given the staff power constraints at the field level, a continuous sign-up would alleviate the “crunch” of conducting numerous sign-ups over short periods of time.

We appreciate the opportunity to share our views and concerns on the CSP interim final rule.
Sincerely,

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Bill Wilson
NACD President-elect