



INDIANA ASSOCIATION OF
soil and water conservation
DISTRICTS



632

February 23, 2004

Mr. David McKay
Attention: Conservation Security Program,
Conservation Planning Team Leader
Conservation Operations Division
USDA NRCS
P.O. Box 2890
Washington, DC 20013-2890

Dear Mr. McKay:

The Indiana Association of Soil and Water Conservation Districts (IASWCD) wishes to comment on the proposed rule to implement the 2002 Farm Bill Conservation Security Program (CSP).

IASWCD has several concerns relative to the proposed rule. We understand that during the development of the proposed rule changes were made to the statute that altered it from an uncapped entitlement program to a "capped entitlement" to be funded at approximately \$3.8 billion over 10 years. Given that change, NRCS proposed a much more limited program that would be available only to a relatively small number of producers in highly targeted watersheds. The proposed rule also placed significantly lower limits on cost-share rates and base payments than were allowed in the statute; restricted the number and types of practices that would be eligible for payment; and required producers to address resource concerns prior to enrolling in the program. This rule would limit Indiana's participation in CSP.

The enactment of the 2004 Consolidated Appropriations Bill, however, restored the CSP to an uncapped entitlement as it was originally written. Given that fact, we strongly urge NRCS to prepare a rule to implement the program as originally intended and without the severe restrictions in the currently proposed rule. The principal issues that need to be addressed in the supplement to properly implement the CSP as an uncapped entitlement include:

- allowing open enrollment to all eligible producers nationwide with no preference for producers in targeted watersheds;
- providing the full cost-share, maintenance and base payments as provided for in the statute;
- removing the limitation on the types of practices eligible for payment; and
- making the CSP a true rewards program by allowing producers to use CSP to address resource concerns after enrollment.

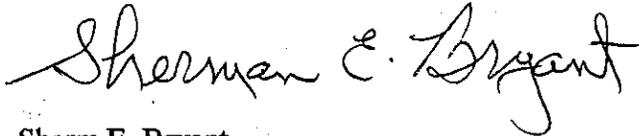
225 SOUTH EAST STREET, INDIANAPOLIS, INDIANA 46202, 317.692.7519

President: Sherm Bryant • Vice President: Gene Weaver • Treasurer: Jim Droege • Secretary: Ray Chattin

IASWCD certainly appreciate the positive impact the 2002 Federal Farm Bill programs have in Indiana. These programs provide much need soil and water conservation funding. In that regard Indiana needs additional conservation programs and funding that CSP provides. Thus, we look forward to a fully implemented CSP which includes Indiana.

IASWCD appreciates the opportunity to comment on the CSP proposed rule, and look forward to offering additional comments.

Regards,

A handwritten signature in cursive script that reads "Sherman E. Bryant". The signature is written in black ink and is positioned above the typed name and title.

Sherm E. Bryant
President

Indiana Association of Soil and Water Conservation Districts



Jasper County Soil & Water Conservation District

1403 Clayton Ave • Newton, IL 62448 • PH: 618-783-2319 ext. 3 • FX: 618-783-2374

630

February 26, 2004

Mr. David McKay
Attention: Conservation Security Program
Conservation Planning Team Leader
Conservation Operations Division
USDA NRCS
P.O. Box 2890
Washington, DC 20013-2890

Dear Mr. McKay:

We are pleased to submit comments on the proposed rule to implement the 2002 Farm Bill Conservation Security Program. First, we applaud NRCS for developing a proposed rule in the face of the number of legislative changes that were made to the program following its enactment.

We have several concerns relative to the proposed rule. We understand that during the development of the proposed rule changes were made to the statute that altered it from an uncapped entitlement program to a "capped entitlement" to be funded at approximately \$3.8 billion over 10 years. Given that change, NRCS proposed a much more limited program that would be available only to a relatively small number of producers in highly targeted watersheds. The proposed rule also placed significantly lower limits on cost-share rates and base payments than were allowed in the statute; restricted the number and types of practices that would be eligible for payment; and required producers to address resource concerns prior to enrolling in the program.

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- allowing open enrollment to all eligible producers nationwide with no preference for producers in targeted watersheds;
- providing the full cost-share, maintenance and base payments as provided for in the statute;
- removing the limitation on the types of practices eligible for payment; and
- making the CSP a true rewards program by allowing producers to use CSP to address resource concerns after enrollment.
- Make payments to producer or producers with risk in crop or livestock in operation
- Set rental rates on a district by district basis through a local working group with final OK by state committee

Sincerely,

Dale Nadler
Chairman
Jasper Co SWCD

643

SCOTT COUNTY FARM BUREAU

P.O. Box 50

Winchester, Illinois 62694

(217) 742-3351

March 1, 2004

Mr. David McKay
Conservation Planning Team Leader
Conservation Operations Division
NRCS
P.O. Box 2890,
Washington, DC 20013-2890,

fax: (202) 720-4265. e-mail to: david.mckay@usda.gov

Attention: Conservation Security Program.

Dear Mr. McKay:

Please accept these comments from Scott County Farm Bureau regarding the proposed rules for the Conservation Security Program.

The Conservation Security Program (CSP) is the type of program that we support. We have supported development of programs such as the CSP that are voluntary, incentive-based and that help private landowners and producers implement best management practices to help conserve soil and improve water quality and address other natural resource issues. We have an opportunity to help implement this new voluntary, incentive-based conservation program.

We believe the incentives in the CSP will encourage farmers to reach new and improved conservation levels and support on-going conservation efforts. The CSP supports conservation practices on working agricultural lands and will help reward the implementation of best management practices on cropland and grassland. It will identify and reward farmers who try to achieve the very highest standard of conservation and environmental management on their operations.

The CSP has the ability to provide financial assistance that would allow farmers to advance their conservation and environmental goals and objectives and continue the positive environmental trends we have seen through the years.

Challenges and Concerns:

The CSP is not without challenges, however. The first year of the program contains limited funding. It will be important to design the CSP to help lay a sound base for the program this year so that when it is evaluated for future funding, we will have a positive initial program that will be able to garner funding in the future.

Control of Land:

We have concerns about the requirement that agricultural operations must show control of all agricultural land for 5 years for Tier 1 payments, 5 - 10 years for Tier 2 payments, and 10 years for Tier 3 payments. Many farmers in Scott County lease portions of their

operation. Most of these lease agreements are on a year-to-year basis. The inability to get long-term leases will result in many potential cooperators being unable to participate because they would not be able to show that they would have control of the land for longer than one year.

The legislation allows a producer to apply to the secretary for a modification (if it is consistent with the purpose of the program) and not require that a producer "show control" of agricultural land for the life of the contract. In fact, Congress anticipated that farmers would have to contend with circumstances beyond their control and explicitly directed the secretary to permit modification of a conservation security contract for circumstances beyond the control of the producer. NRCS should revise the rules to allow for modification if it is consistent with the purpose of the program.

Contract Requirements and Contract Modifications:

Our next concern is connected to our previous comment. Another requirement specifies that program participants would need to refund all or a portion of any assistance earned under a CSP contract if the participant sells or loses control of the land under a CSP contract. Given the uncontrollable nature of agriculture in general and diverse makeup of our nation's farms, this type of requirement appears too restrictive.

Land can be sold to a new owner with no guarantee that the operator would be able to farm the same land under a new owner. In this scenario, the operator would lose his entire program benefit for not only the lost parcel but on the remaining part of his operation.

Here again, the legislation clearly directs the secretary to allow cooperators to modify their contracts if the agricultural operation changes for type, size, management, or other aspects if the modification does not interfere with achieving the purpose of the program. We feel the rules should be changed to allow modifications in contracts if a producer loses control of a specific parcel they farm.

Definition of Agricultural Operation:

We are concerned that the definition of agricultural operation may be too restrictive and result in an undue limitation on CSP participation. Congress directed the establishment of a broad and inclusive program to assist producers of agricultural operations to implement conservation practices that improves soil, water, air, energy, plant and animal life, and any other conservation purpose as determined by the secretary.

Eligibility:

The CSP rules outline a much more limited program that would be available only to a relatively small number of producers in highly targeted watersheds. The proposal should encourage and set as a goal Tier III participation on all farming operations. We encourage NRCS to revise this proposal to allow all producers to apply for participation.

Needed Clarification:

We feel there needs to be more clarity within the program participation process. We encourage NRCS to clarify the screening process, the ranking process for watersheds and the ranking process for program participation.

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IL Farm Bureau

Facsimile Cover Sheet

To: Mr. David McKay
Company: NRCS, Conservation Planning
Team Leader
Phone: 202-720-1845
Fax: 202-720-4265

From: Nancy Erickson
Company: Illinois Farm Bureau
Phone: 309-557-3153
Fax: 309-557-3729

Date: 3/1/2004

**Pages including this
cover page:** 4

Comments:

Attention: Comments on Conservation Security Program



"Improve the economic well-being of agriculture and enrich the quality of farm family life."

March 1, 2004

Mr. David McKay
Conservation Planning Team Leader
Conservation Operations Division
NRCS
P.O. Box 2890,
Washington, DC 20013-2890,

fax: (202) 720-4265. e-mail to: david.mckay@usda.gov

Attention: Conservation Security Program.

Dear Mr. McKay:

Please accept these comments from Illinois Farm Bureau® regarding the proposed rules for the Conservation Security Program. Illinois Farm Bureau is a grassroots voluntary organization with about three-fourths of the farmers in the state as members.

The Conservation Security Program (CSP) is the type of program that Illinois Farm Bureau has long-supported. IFB has been involved with the development of programs such as the CSP that are voluntary, incentive-based and that help private landowners and producers implement best management practices to help conserve soil and improve water quality and address other natural resource issues. We have an opportunity to help implement this new voluntary, incentive-based conservation program.

We believe the incentives in the CSP will encourage farmers to reach new and improved conservation levels and support on-going conservation efforts. The CSP supports conservation practices on working agricultural lands and will help reward the implementation of best management practices on cropland and grassland. It will identify and reward farmers who try to achieve the very highest standard of conservation and environmental management on their operations.

The CSP has the ability to provide financial assistance that would allow farmers to advance their conservation and environmental goals and objectives and continue the positive environmental trends we have seen through the years.

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ILLINOIS AGRICULTURAL ASSOCIATION®

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Phone: 309.557.2111 • Fax: 309.557.2559 • <http://www.ilfb.org>

Control of Land:

We have concerns about the requirement that agricultural operations must show control of all agricultural land for 5 years for Tier 1 payments, 5 - 10 years for Tier 2 payments, and 10 years for Tier 3 payments. Many farmers in Illinois lease portions of their operation. Most of these lease agreements are on a year-to-year basis. The inability to get long-term leases will result in many potential cooperators being unable to participate because they would not be able to show that they would have control of the land for longer than one year.

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Payment:

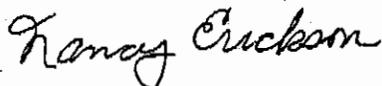
Though the CSP outlines financial incentives for producers, the proposed rule places significantly lower limits on cost-share rates and base payments than were allowed in the statute. It will be important that the program be one that provides sufficient economic incentives for farmers to enroll in the program.

Summary:

Through the CSP, Congress has given agriculture the opportunity to improve net farm income, enhance economic opportunities, and continue protecting our natural resources. We encourage NRCS to change the proposed rules based on comments from producers, thereby giving the program the opportunity to be as successful as possible.

Thank you for the opportunity to comment on the CSP.

Sincerely,



Nancy Erickson, Director
Natural and Environmental Resources

CSPComments0204