

**AMERICAN FARM BUREAU FEDERATION®**

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February 12, 2004

The Honorable Ann Veneman
Secretary
U.S. Department of Agriculture
1400 Independence Avenue, SW
Washington, DC 205

Dear Madam Secretary:

Farmers face more costly regulations on an increasing array of issues and activities than ever before. As evidenced by record participation in other voluntary, incentive-based conservation programs, it's easy to see that farmers are willing to undertake the changes needed to help conserve natural resources. The Conservation Security Program (CSP) takes advantage of farmers' growing awareness of environmental concerns and willingness to address them.

We understand the challenge USDA faces in implementing this innovative new program in the face of a growing budget deficit, however, CSP should be implemented in a way that it can achieve its full potential. AFBF encourages USDA to revise the CSP rule so that: 1) all farmers and ranchers are eligible to participate; 2) funding for CSP is uncapped, as intended in the farm bill and as allowed for under the fiscal 2004 omnibus appropriations bill; 3) like the Conservation Reserve Program, another long-term contract program, the budgetary obligation for a new contract should be spread over the life of the contract, rather than frontloading contract payments for the full contract length in a single fiscal year's score; 4) it provides assistance for producers who seek to adopt new practices as well as producers already bearing the cost of maintaining existing conservation practices; 5) it provides maximum contract flexibility by eliminating the requirement that farmers and ranchers must show control over all agricultural land in the program for five to 10 years; and 6) it eliminates the provision that would require a producer to refund all of the assistance earned under a CSP contract if the participant loses control of the land by some uncontrollable circumstance.

The CSP is an opportunity to move environmental policy beyond the regulatory approach. Government programs can work to enhance the nation's agricultural productivity and environmental objectives. Above all it provides a unique opportunity to establish policies that benefit the environment while helping to ensure that agricultural producers receive assistance to defray the cost of environmental regulation.

Sincerely,



Bob Stallman
President



Montana
Native
Plant
Society

To observe - conserve - educate

19 January 2004

P.O. Box 8783 Missoula, MT 59807

Mr. David McKay
Conservation Operations Division
Natural Resources Conservation Service
P.O. Box 2890
Washington DC 20013

Dear Mr. McKay:

We are writing on behalf of nearly 500 members of the Montana Native Plant Society (MNPS). We are an organization dedicated to preserving, conserving and studying the flora of Montana and educating the public on the values of the native flora and its habitats. We are writing to comment on the proposed rule for implementing the Conservation Security Program (CSP).

We applaud CSP's goal of rewarding and motivating conservation in the private sector. Our concerns are simple; we want to be certain that encouraging progressive agricultural practices does not result in the loss of native prairie in Montana or elsewhere. Prairie is one of the most endangered ecosystems in North America; what remains should be preserved. MNPS believes that farmers and ranchers who sodbust should not be rewarded with public funds meant to promote conservation. Section 1470.5 of the proposed rule for CSP addresses the problem of sodbusting by requiring that enrolled land be devoted to crops for four of six years preceding enrollment. This requirement is good as far as it goes. However, we are concerned that a producer can still enroll cropland in CSP while sodbusting in other areas of his operation. We urge NRCS to include prairie conservation as a nationally significant resource concern. In this way a producer would not be eligible for Tier II or Tier III payments if he sodbusts on any part of his operation. Sodbusting is a serious conservation problem in Montana and other states on the Northern Great Plains. We hope that NRCS will recognize the problem and develop rules for CSP that educate producers on the value of native prairie and encourage its preservation. Thank you for considering our concerns.

Sincerely,

Elizabeth Kuropat
President

Peter Lesica
Conservation Chair



Sedgwick County Conservation District

2625 South Tyler Rd. - Wichita, Kansas 67215-8621 - (316) 660-7286 - FAX (316) 729-8938

David McKay
NRCS Conservation Operations Division
FAX: 202-720-4265

Re: Conservation Security Program Comments

This Board has studied the Conservation Security Program authorized by the 2002 Farm Bill. We wish to make comments about the proposed rule to administer the program.

First of all, it appears this work will be a "guided reward program" for only those who have received the benefit of conservation through an already government-subsidized program. This Board believes that the money could be better spent on subsidizing existing conservation programs not yet complete instead of simply rewarding existing practices.

Second, we do not believe it is fair to require that the land must be located within a "selected" priority watershed. This is discriminating against a very deserving operator simply because of "location".

Third, we have some compunction about the worthiness of the reward program itself. If we have 3.77 billion dollars to spend for conservation over and above the basic needs, why don't we use that money for a more necessary purpose? One that comes to mind instantly is to finish out or apply that money toward the basic watershed structures effort (PL 566) which would benefit many more people. Some of these watershed districts have been organized for over 40 years and are not yet complete because of lack of funds. A reward program might be in order if all of the basic necessary conservation work was completed and we had excess funds.

To cut to the chase, we believe it is time to step back and take another look at our priorities and forget about rewards (pork). The priority should be to increase the number of acres under conservation programs, or to continue existing programs, which are under-funded; not simply reward operators for already being in a government-subsidized program.

There is an old saying - *Smear The Fat Sow With Butter!* Is that exactly what we are doing?? Or is it time to tighten the belt? We think it is high time to take a hard look at Big Government spending. If we have this money to spend, use it where it will do the most good and benefit the most people.

Sincerely,

Wilmer Freund, Chairman
Sedgwick County Conservation District

Cc: Senator Sam Brownback
Senator Pat Roberts
Representative Todd Tiahrt
Representative Jerry Moran
Carl Jordan, Secretary-Treasurer KACD



IOWA DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP

744

PATTY JUDGE
SECRETARY OF AGRICULTURE

March 1, 2004

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

Dear Mr. McKay:

The State of Iowa has had a long and very positive partnership with Soil and Water Conservation Districts (Districts) and the Natural Resources Conservation Service (NRCS). The Conservation Partnership in Iowa is alive and well. Because of this positive partnership, it is with a great deal of pleasure and anticipation that we report to you our excitement for the proposed rules for implementation of the Conservation Security Program (CSP). Over 90% of Iowa's landscape is in agricultural production and nearly 95% of that land is in private ownership. What happens on Iowa's farms has an incredible impact on the quality of the environment enjoyed by Iowa's citizens. We believe that Secretary of Agriculture Ann Veneman's comments have been on target when she has declared that CSP has the potential to "reward the best and motivate the rest." Thousands of Iowa farmers have included sustainable and conserving practices in their operations for many years. CSP has the potential to reward and promote conservation in ways where burdensome regulation would never be successful.

The State of Iowa sincerely wants the Conservation Security Program to be the most successful federal conservation program to date. As such we have some concerns and suggestions that should be considered to assist with the delivery of the CSP and results all of us are anxious to see.

- Any changes to the draft CSP rules as provided for comment should be addressed in the form of a supplement. To completely rewrite the rules will cause further delay in implementation of the CSP. All of the constructive comments provided should be incorporated into the supplemental rules.
- The intent of the law as passed by Congress and signed by the President was that the CSP was to be an entitlement program that allowed all producers who qualify to participate. The rules should be written as if the CSP will be fully funded in the current year and subsequent years. Though we agree that funding should be prioritized and targeted to sensitive areas, we question how these priorities can be set at a national level. Rules should be written to reflect the law as passed and not to reflect the budget. Budget

shortfalls can be dealt with administratively by limiting the length of contracts, by issuing block grants to states for implementation by the State Conservationists in collaboration with the State Technical Committee, or by limiting payments to only the provisions defined in the law as enhancements.

- The rule attempts to define a lengthy, multi-step process for signup. We have concerns that the signup process may be of a complexity that landowners, operators and NRCS field staff will find it difficult, burdensome and extremely time-consuming to assist producers with the application process. Though it is important that the goals of the CSP be carried out, the process must remain easy to complete. For example, in Iowa we have many landowner/tenant relationships that utilize annual rental agreements. The CSP program is set up for multiple years. A multi-year program may not allow farmers utilizing these annual rental arrangements to participate. Additionally, farmers may have multiple landlords with whom they have rental agreements. Under Tier 2 and Tier 3, a farmer must have all the land he/she operates under contract. This will not work if any one landlord is unwilling to address his/her resource concerns.
- The proposed rule provides for periodic signups. CSP should be implemented with a continuous signup, allowing much greater access than periodic signups.
- The rule restricts resource concerns to only soil and water while the law includes all resource concerns. All resource concerns need to be addressed.
- The rules provide different interpretations of payment for maintenance of conservation practices. Section 1469.21(i) is not consistent with Section 1469.23(b)(3). Section 1469.23(b)(3) should read: "NRCS will not pay for maintenance of structural practices (with financial reimbursements for maintenance) when such maintenance is required by an agreement between the participant and a Federal or State authority."

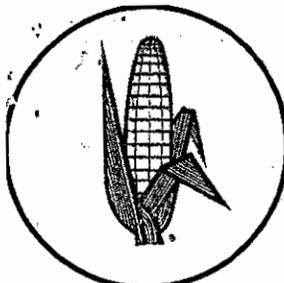
We thank you for the opportunity to voice our concerns and comments. We are excited about the CSP and have great expectations for its success. We believe these changes will ensure CSP's success for the long term.

Sincerely,



Patty Judge
Iowa Secretary of Agriculture

PJ/jeg



National
Corn Growers
Association
www.ncga.com

February 27, 2004

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

Attention: Conservation Security Program

On behalf of the National Corn Growers Association (NCGA), I would like to thank the Natural Resources Conservation Service (NRCS) for the opportunity to comment on the proposed rule for the Conservation Security Program (CSP). NCGA appreciates the time and effort NRCS took to develop this proposal. NCGA also would like to thank the agency for its commitment to developing a conservation program for working lands.

In late January, a small group of NCGA members met in Washington to thoroughly review the proposed rule. Over the course of a day and a half, the group discussed general CSP issues, specific concerns and developed recommendations. Also, many NCGA members attended the NRCS listening sessions and are working with their state corn grower associations and NCGA to develop comments. NCGA supported the creation of CSP as a conservation program for working lands and will work with NRCS and others to implement that concept.

General Comments

Overall, NCGA is disappointed in the proposed rule. It does not meet corn grower expectations. None of the growers who participated in the Washington review or who attended the listening sessions believe they will be eligible to participate. In addition, many question whether the requirements of the proposed rule would be worth the effort financially. Unfortunately, the proposal is not designed to meet the needs of the average, commercial corn farmer. Generally, the proposal is not farmer-friendly as the land control requirements are too high a barrier to entry, and it does not recognize the trend toward renting.

Watersheds

Although NCGA would prefer CSP to be available to nearly every farmer right away, we understand the need to geographically limit the program *in the early years* based on watersheds. NCGA would prefer CSP get off to a meaningful start and believe it is in the best interest of farmers and the agency to get it right from the beginning. Key to a successful CSP is a program that works for farmers. To do this, NRCS should ensure an adequate number of farmers in a watershed participate so that the results of their conservation can be measured. The program can then be scaled up from there.

For many years, NCGA has been actively involved in national water quality debates. NCGA supports the use of sound scientific 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. As such, NCGA suggests that when NRCS selects watersheds that it recognize the importance of surface water quality and include it in the criteria list.

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Eligibility Requirements

Under the proposed rule, a farmer would have to have control of his or her 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.

Very few NCGA members have control of all of the land they farm for the length of time – five to ten years -- envisioned by CSP. Most corn growers rent land on an annual basis, and the size and make up of their operations vary from year to year. In addition, it is highly unlikely many landlords would agree to long-term leases.

The control requirements are stringent and exclusionary. In addition, they have the potential to add substantial costs if a producer decides to participate yet cannot secure control of all of his operation but still must meet all conservation requirements.

NCGA does not believe the intent of the proposal is to limit CSP to small hobby farms as that would severely limit the potential environmental benefits of CSP. Yet, this is what these provisions seem intended to accomplish. If included in the final rule, most corn growers could not participate in the program.

NCGA agrees that the purpose of CSP is to encourage more conservation and at greater intensities and supports NRCS efforts to ensure CSP is not used as a way to generate more government payments. However, these requirements will unnecessarily exclude worthy corn growers from CSP. NCGA recommends NRCS use farm tract numbers in order to simplify the program requirements for growers. NRCS could apply other measures to ensure the program is not abused.

NCGA also suggests NRCS provide specificity in the final rule to address changes that are likely to occur during contract periods.

Enrollment Categories

NCGA believes the use of enrollment categories is a reasonable approach to begin to implement CSP. NCGA recommends that they not be too restrictive and encourages the administration to support sufficient funding for the program.

NCGA 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. For example, growers know firsthand that HEL requirements are not applied and enforced the same in Nebraska as they are in Ohio. Inconsistent application of conservation laws, programs and standards can have the unintentional effect of helping one farmer while hurting another, thus diluting environmental benefits.

Benchmark Condition Inventory

NCGA does not support including in the regulation a requirement that producers use a self-screening tool or benchmark inventory. Rather, the inventory should be a tool available for farmers to help them determine their eligibility for the program and to generally assess the condition of their land. Both web-based and paper formats should be available.

Producers in a number of states have developed farm conservation assessment programs. For example, agricultural organizations in Nebraska developed the Husker Farmer Program. It asks

60 questions about a farmer's operation and helps him determine his strengths and weaknesses. Agricultural groups in Ohio have developed a similar program.

NCGA suggests NRCS use these types of existing programs as the basis for the inventory as they are understood and used by farmers. In some ways, the vagueness of the proposed rule has generated concerns that CSP will lead to a significant increase in regulation and farm management requirements. Using farmer-developed conservation tools would help to mitigate this concern.

Conservation Practices

NCGA encourages NRCS to examine the feasibility of including sediment impoundment structures in the list of structural practices eligible for payment under CSP and other conservation programs.

Contract Requirements – Tier Three

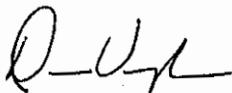
As proposed, participation in Tier III would be severely restricted because of the cost to address all resource concerns on an entire operation. For example, just the record keeping required of Tier III participants will be monumental. NCGA recommends the conservation requirements be kept in line with what they are worth for the benefits received. It would not help farmers or NRCS if CSP were a program that chased incremental benefits for high costs.

Program Payments – Animal Waste Storage Facilities

Under the proposed rule, NRCS will not pay for the construction or maintenance of animal waste storage or treatment facilities or associated waste transport or transfer devices for animal feeding operations. About one-third of NCGA members have livestock as part of their operations. This provision would be especially problematic for them and most would not be eligible to participate. It also unfairly excludes many other livestock producers.

Thank you again for the opportunity to comment.

Sincerely,



Dee Vaughan
President