

Tennessee Association of Conservation Districts

1105 East Jackson Boulevard, Suite 3
Jonesborough, Tennessee 37659
423/753-2192

March 2, 2004

Mr. David McKay
Attention: Conservation Security Program
Conservation Planning Team Leader
Conservation Operations Division
USDA/Natural Resources Conservation Service
1400 Independence Avenue, SW, Room 5241
Washington, DC 20250-2890

Dear Mr. McKay:

On behalf of Tennessee's 95 Soil and Water Conservation Districts, the Tennessee Association of Conservation Districts (TACD) appreciates the opportunity to make comments on the proposed rule for the Conservation Security Program (CSP). We feel this is one of the most important sections of the Farm Security and Rural Investment Act of 2002 (2002 Farm Bill). As we have worked with and listened to members of Congress and the general public, both of which are more and more removed from the farm, it seems to us that this program is an excellent opportunity to explore income replacement in agriculture in a non-traditional way.

At our annual Business Session, a part of our annual convention that concludes today in Nashville, Tennessee, our association unanimously agreed on the following comments about your proposed CSP rule. These comments build on our statement concerning this program nearly a year ago.

First and foremost, rules for this program should be written to reflect the full intent of the law as written and not be written to reflect a one (1) year funding reduction. Especially in light of this year's Omnibus Budget agreement that restored full funding to this program. We strongly disagree with the need for using targeted watersheds and feel the program should be implemented based on eligibility and not location.

Additionally, CSP should be implemented as an open enrollment program with producers accepted into the program as soon as they are deemed eligible. The program should use long standing and accepted definitions and thus reduce the confusion of those seeking benefits through the CSP. Treatment of owners and tenants should be the same as for payments under the traditional commodity programs. Again, fostering understanding of an accepted program practice and reducing the bias against those who work the land by requiring guarantees beyond the scope of normal lease or tenant agreements.

Lastly, this program should be open to all locally accepted conservation practices as included in the local Field Office Technical Guide. Any new practices required to

qualify for the CSP or to move from one level of participation to another should be cost shared through existing federal or state programs. CSP should be used to reward good conservation work and not be diluted by using it to create new cost share programs that compete with existing cost share programs.

Again, we appreciate the opportunity to comment on this proposed rule and look forward to the implementation of this program in the near future.

Sincerely,

/s/

Roy L. Gillis
President

Henry A. Wallace Center for Agricultural & Environmental Policy

1621 N. Kent Street, Suite 1200
Arlington, Virginia 22209-2134, USA

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March 2, 2004

ATTN: David McKay
NRCS Conservation Operations
PO Box 2890
Washington, DC 20013-2890
Email: david.mckay@usda.gov
Fax 202-720-4265

Dear Mr. McKay,

I am writing to you in my capacity as the Director of the Wallace Center for Agricultural and Environmental Policy at Winrock International in Rosslyn Virginia. I support the CSP as a nationwide conservation program focused on working farmlands and ranchlands that would reward producers for applying the best environmental practices on their farms and ranches. I believe that the CSP can be a very useful tool for preserving and improving natural resources, but only if the proposed rule is changed to reflect the original spirit of program.

First, USDA should issue a supplement to the rule, which would be open for public comment for 30 days. This should be done immediately to fix major problems with the proposed rules issued on January 2, 2004, which are not consistent with the law authorizing the CSP, nor with the funding allocated by Congress restoring CSP to its uncapped, national entitlement program status.

Specifically, I would like to recommend the following changes:

1. USDA's "preferred approach" in the proposed rule would severely and unnecessarily prevent most farmers from gaining access to the CSP. USDA must adhere to the law, and to the recently appropriated full funding of CSP by Congress, and make CSP available nationwide to all farmers practicing effective conservation. The USDA should not restrict sign-up for CSP to a few "selected watersheds" and undefined "categories."
2. The USDA's proposed rules would give such inadequate payments that farmers would have no incentive to participate. The best way to secure soil conservation is to recognize and reward it when and where it is being done. Paying the best practitioners for results is sound economics and smart policy, providing both reward and motivation. CSP base payments should be set at the local rental rates based on land capability-- without the 90% reduction proposed by USDA. Enhanced payments should reward the most environmentally beneficial systems and to the maximum extent possible pay for results. The enhanced payments should not be treated as cost-share but rather as real bonuses to reward exceptional performance.

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3. CSP needs to recognize and reward resource-conserving crop rotations and managed rotational grazing as proven conservation farming systems that deliver environmental benefits to society. Both are specifically mentioned for enhanced payments in the CSP statute. The final rule should highlight substantial enhancement payments for these systems, as well as payments for management of existing practices.
4. USDA should not penalize farmers for shifting former cropland to pasture as part of a managed grazing system. Former or potential cropland that is pastured and put into a managed rotational grazing system must receive equal payment rates to other cropland, and not the lower rate of pastureland. The rules should establish base payments based on NRCS land capability classes, not current land use.
5. CSP should allow farmers with USDA-approved organic certification plans under the National Organic Program to simultaneously certify under both the National Organic Program and CSP, if they meet the standards of both. There is no need to tie farmers up in red tape which is inefficient and unnecessary.
6. NRCS should utilize the one-producer, one-contract approach to CSP contracts, as a way to provide the fairest treatment of all producers and to guard against program fraud and abuse. All CSP payments should be attributed to real persons (not various corporate or business entities). Payment limits set in the law (\$20,000 per year for Tier 1, \$35,000 per year for Tier 2, and \$45,000 per year for Tier 3) must be maintained.
7. CSP contracts should be renewable, as part of an ongoing program, and not limited to one-time contracts. NRCS' proposal that CSP contracts in general not be renewable, except in special circumstances, conflicts with the law, which leaves it up to the farmer to decide if he or she wants to renew the contract, which USDA would renew unless the farmer was not fulfilling the contract. NRCS' proposed restriction to one-time contracts is contrary to the entire purpose of the CSP to secure ongoing conservation of our nation's national resources.
8. Farmers should be allowed to address any or all significant natural resource concerns on their farm, and allow them to make use of all effective conservation practices, instead of severely restricting what can be done.

Sincerely,

A handwritten signature in cursive script that reads 'Kate Clancy'.

Kate Clancy
Director, Wallace Center

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.

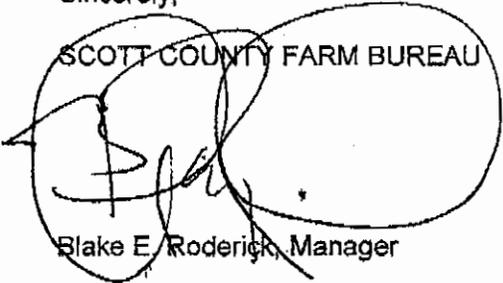
Summary:

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,

SCOTT COUNTY FARM BUREAU



Blake E. Roderick, Manager

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NATIONAL CAMPAIGN FOR SUSTAINABLE AGRICULTURE

Organic Committee

P.O. Box 396, Pine Bush, NY 12566, (845) 744-8448, Fax: (845) 744-8477; email: Campaign@sustainableagriculture.net,
www.SustainableAgriculture.net

March 1, 2004

Conservation Security Program Comments

ATTN: David McKay
NRCS Conservation Operations Division
P.O. Box 2890
Washington, DC 20013

VIA EMAIL and FACSIMILE

Dear Mr. McKay,

The National Campaign for Sustainable Agriculture (NCSA) Organic Committee submits the following comments in support of the Conservation Security Program (CSP) as a nationwide conservation program focused on working farmlands and ranchlands that would "reward the best, and motivate the rest."

The CSP can be a very useful tool for helping to conserve and improve natural resources, but only if the proposed rule is changed to reflect the original spirit of program. First, USDA should fix major problems with the proposed rules issued on January 2, 2004 (outlined below) by issuing a supplement to the rule, which would be open for public comment for a minimum of 60 days. The current proposed rule is not consistent with the law authorizing the CSP, nor with the funding allocated by Congress restoring CSP to its uncapped, national entitlement program status.

The NCSA Organic Committee would like to address your attention both specifically to two issues that are important to the Organic Community, and then generally to CSP changes that are vital to the proper functioning of this important piece of legislation. Specifically, we would like to recommend the following changes:

1. **Certified Organic Farm Plans Should Streamline An Organic Farmers' CSP Qualification Process**. The proposed rule is silent on the mechanism that will be used by USDA to coordinate participation in the CSP for organic farmers who are certified under USDA's National Organic Program (NOP). This important issue must be addressed. Through the organic certification program, organic producers devote significant time and expense in developing a whole farm systems plan. These organic farm plans require farmers to provide detailed description of the practices that they will employ on their farms to conserve natural resources. Therefore, it would be extremely duplicative and burdensome to require a certified organic producer to "start from scratch" in developing a farm plan for purposes of qualifying for CSP payments. Instead, the NCSA Organic Committee urges that the final rule include provisions stating that a certified organic producer who wishes to enroll their entire farm in the CSP should be presumed to qualify for Tier III payments, and that NRCS provide a very specific list of addendums, if any, that must be made to the existing organic farm plan in order to qualify for those payments.

2. Reward On-Farm Plant and Animal Germplasm Conservation. The rule should be modified to ensure that the CSP provides significant incentives to farmers for "biological resource conservation and regeneration," as provided for in the 2002 farm bill. Most importantly, this should include plant and animal germplasm conservation and the on-farm suite of practices of seed saving, preservation, screening, evaluation, selection, and plant and animal breeding activities. Such practices contribute to increased biodiversity, longer and more diverse cropping systems, enhanced wildlife habitats, and conservation of a critical resource for the sustainability of the food and agricultural system.

3. USDA's "preferred approach" in the proposed rule would severely and unnecessarily prevent most farmers from gaining access to the CSP. USDA must adhere to the law, and to the recently appropriated full funding of CSP by Congress, and make CSP available nationwide to all farmers practicing effective conservation. The USDA needs to get rid of the idea of restricting sign-up for CSP to a few "selected watersheds" and undefined "categories."

4. The USDA's proposed rules fail to make anywhere close to adequate payments for environmental benefits being produced by farmers currently practicing effective conservation. The best way to secure the vital conservation of our soil and other resources is to recognize and reward it when and where it is being done. Paying the best practitioners for results is sound economics and smart policy, providing both reward and motivation. CSP base payments should be set at the local rental rates based on land capability without the 90% reduction proposed by USDA. Enhanced payments should reward the most environmentally beneficial systems and to the maximum extent possible pay for results. The enhanced payments should not be treated as cost-share but rather as real bonuses to reward exceptional performance.

5. CSP needs to recognize and reward resource conserving crop rotations and managed rotational grazing as proven conservation farming systems that deliver environmental benefits to society. Both are specifically mentioned for enhanced payments in the CSP statute. The final rule should highlight substantial enhancement payments for these systems, as well as payments for management of existing practices.

6. USDA should not penalize farmers for shifting former cropland to pasture as part of a managed grazing system. Former or potential cropland that is pastured and put into a managed rotational grazing system must receive equal payment rates to other cropland, and not the lower rate of pastureland. The rules should establish base payments based on NRCS land capability classes, not current land use.

7. NRCS should utilize the one-producer, one-contract approach to CSP contracts, as a way to provide the fairest treatment of all producers and to guard against program fraud and abuse. All CSP payments should be attributed to real persons (not various corporate or business entities). Payment limits set in the law (\$20,000 per year for Tier 1, \$35,000 per year for Tier 2, and \$45,000 per year for Tier 3) must be maintained.

8. CSP contracts should be renewable, as part of an ongoing program, and not limited to one-time contracts. NRCS' proposal that CSP contracts in general not be renewable, except in special circumstances, conflicts with the law, which leaves it up to the farmer to decide if he or she wants to renew the contract, which USDA would renew unless the farmer was not fulfilling the contract. NRCS' proposed restriction to one-time contracts is contrary to the entire purpose of the CSP to secure ongoing conservation of our nation's national resources.

9. **Comprehensive Conservation:** Allow farmers to address any or all significant natural resource concerns on their farm, and allow them to make use of all effective conservation practices, instead of severely restricting what can be done.

10. **Restore a Comprehensive, Locally-Driven Approach to Conservation:** Allow the conservation resource concern priorities to be set at the state level so the program can be as responsive as possible to the major resource issues in each region of the country. One solution would be to have each state include soil quality and water quality among their top 5 resource concerns and have farmers choose to address at least 2 of the 5 (tier 1 and tier 2) and all 5 (tier 3).

11. **Don't Penalize Cash Renters:** The rule should provide fair treatment for tenants, allowing a tenant's CSP contract to exclude such land entirely, or allowing the farmer or rancher to receive CSP payments on land meeting CSP standards as long as the tenant controls the land.

12. **Provide for a Continuous Sign-Up Process:** The rule should provide for a predictable, continuous, nationwide signup process.

Thank You,

National Campaign for Sustainable Agriculture Organic Committee:

Michael Sligh, Co-Chair, Rural Advancement Foundation, International, USA

Elizabeth Henderson, Co-Chair, Peacework Organic Farm, Northeast Organic Farming Assoc., NY

Roger Blobaum, Organic Watch

Robert Hadad, Humane Society of the United States

Margaret Mellon, Union of Concerned Scientists

Joseph Mendelson, Center for Food Safety

Marty Mesh, Florida Organic Growers

Jim Riddle, Organic Independents, Winona, MN

Amy Miller, Women, Food and Agriculture Network

Lynn Coody, Organic AgSystems Consulting

Leslie Zuck, Pennsylvania Certified Organic

David J. Engel, Midwest Organic Services Association

Chris Hill, The Rodale Institute

Richard Parrott, Idaho Rural Council and Western Sustainable Agriculture Working Group

NCSA Organic Policy Coordinator: *Liana Hoodes*