

CONSERVATION STEWARDSHIP PROGRAM

Program Design - Key Concepts

Key Concepts and Emphasis

Objectives:

- Unlearning and Learning
- Introduce Program Design and Emphasis
- Identify Key Concepts

Stewardship Purpose

2008 Food, Conservation, and Energy Act established a new program purpose

- Encourage producers to address resource concerns in a comprehensive manner by
 - Installing & adopting additional conservation activities
 - Improving, maintaining, & managing existing activities

Stewardship Policy

A new program purpose brings:

- New Interim Final Rule
- New Conservation Programs Manual Part 508
- New Fund Code

Security Program

Effect on Conservation Security Program:

- Prohibits new or renewed Security contracts after 09/30/08
- Provides funds as necessary to administer existing contracts
- Honors payment commitments

One Chance for a First Impression...

Fresh Opportunity:

- Represent Stewardship Program without bias
- Allow producers to make unprejudiced decisions

Availability

Broadens program availability

- Available nationwide
- Continuous sign-up with periodic cut-offs for ranking
- Adds nonindustrial private forest land (NIPF) as eligible land

Decision-Making

Shifts significant program decision-making to States

- Allocates acres to States to manage
- Focuses on resource concerns identified as a priority for a State or areas of a state
- Competitively ranks peers within a State who face similar resource challenges

New Tools and Terminology

- Conservation Activities
- Conservation Measurement Tool
- Conservation Performance Levels
- Priority Resource Concern
- Stewardship Threshold

Program Design Emphasis

- **Critical Management Controls**
- **Conservation Planning Process**
- **Payment for Conservation Performance**

Critical Management Controls

Program Design – Participation Controls

- Participation based on how producer represents their operation for other USDA programs
 - Applicant must be operator in FSA farm records management system
 - Operation includes all land operated substantially separate where the operator has control for the contract term

Critical Management Controls

Program Design – Participation Controls

- Payment limitation monitored by direct attribution
- Allows participation in multiple contracts

Critical Management Controls

Program Design – Servicing Model

- Payment for previous FY activities allows field verification prior to obligation and payment
- Servicing model becomes:
 - Screen – Resource Inventory – Schedule Activities
 - Rank - Preapprove – Field Verify - Obligate
 - Install and Maintain Activities – Pay

Critical Management Controls

On-Site Field Verification for All Preapproved Applications

- Request applicant's records
- Conduct on-site field verification
- Substantiate resource inventory information was accurate prior to contract approval

Critical Management Controls

Tools -

Requirements, Validation Rules, and Data Share:

- Enforce policy requirements
- Prevent data entry errors

Conservation Planning Process

Conservation measurement tool (CMT) builds on existing technology

- Conservation planning tool
- Combines functions of past eligibility tools
- Considers physical effects of existing and new conservation activities on eligible land

Conservation Planning Process

CMT = Conservation Measurement Tool

Functions:

- Inventory resources to estimate existing conservation performance level
- Schedule new conservation activities to estimate additional performance level

Conservation Planning Process

CMT = Conservation Measurement Tool

Functions:

- Determine stewardship threshold requirement
 - Land treatment eligibility
- Determine ranking score
- Establish annual payment

Conservation Implementation

Conservation Activities

- Enhancements
- Conservation practices to meet additional stewardship thresholds

Conservation Implementation

Conservation Practices

- Explicit purpose of meeting additional stewardship thresholds
- Defined, limited set
- Management and vegetative

Payment for Conservation Performance

Program Design – Pay for Performance

- 2 payment types:
 - **Annual payment** for installing additional conservation activities as scheduled and maintaining existing activities
 - **Supplemental payment** available for participant receiving annual payment who also adopts a resource-conserving crop rotation

Payment for Conservation Performance

Program Design – Pay for Performance

- Annual Payment
 - Established using conservation performance estimated by CMT
 - Calculated by land-use type for enrolled eligible land

Acres Limitation / Payment Constraint

Developing a payment mechanism challenging within constraints:

- Enroll 12,769,000 acres for each FY
- Manage to achieve a national average rate of \$18 per acres (includes FA and TA)

Payment Mechanism

1st Sign-up – Payment Discovery Period

- Uniform annual payment rate per land use performance point for eligible land uses
- After application ranking and preapproval
- Set using real-time acreage enrollment data

Summary

- **Management Controls**
- **Conservation Measurement Tool**
- **Payment for Conservation Performance**

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.