



Food, Conservation and Energy Act of 2008

Helping People Help the Land



The path to the 2008 Farm Bill

1985 Food Security Act

- ✓ Highly Erodible Land protection (HEL)
- ✓ Reduction of wetland conversion (Swampbuster)
- ✓ Conservation Reserve Program

1990 Food Agricultural Conservation & Trade Act

- ✓ Continues HEL & Swampbuster provisions
- ✓ Continues CRP
- ✓ Wetland Reserve Program Authorized

1996 Federal Agriculture Improvement & Reform Act

- ✓ Environmental Quality Incentives Program begins
- ✓ Wildlife Habitat Quality Incentives Program begins
- ✓ WRP, CRP continued

2002 Farm Security & Rural Investment Act

- ✓ Conservation Security Program



2008 Farm Bill: Food, Conservation and Energy Act

The Food, Conservation, and Energy Act of 2008 (2008 Farm Bill) became law on May 22, 2008

The legislation includes fifteen diverse titles, including broad provisions for conservation, energy and tax policy

Enactment of the bill followed a multiple year process of deliberation and debate yielding a final product with some but not all of the policy recommendations offered by the United States Department of Agriculture



2008 Farm Bill Highlights

Increases funding for Conservation programs

Focuses on Agricultural and Forestry Working Lands

Expands the Environmental Quality Incentives Program

Continues the Wildlife Habitat Incentives Program

Adds Hawaii to the Agricultural Management Assistance Program

Begins FY2009 with an acreage allocation and a ranking system for the Conservation Stewardship Program, offering flexibility as a nationwide program



2008 Farm Bill Highlights (2)

Resolves the Wetlands Reserve Program appraisal issues

Expands funding for the Farm and Ranch Lands Protection Program

Creates an Open Fields Program to encourage public access to private land for hunting and fishing

Creates a new Chesapeake Bay program to direct further NRCS program resources to the Bay watershed



“We have each taken an oath to faithfully execute the law, and so it is now time to end the debate, roll up our sleeves, and get to work implementing the new legislation.”

-Secretary Ed Schafer



Information on NRCS Conservation Programs

Conservation Technical Assistance

Environmental Quality Incentives Program

- ✓ Agricultural Water Enhancement Program
- ✓ Conservation Innovation Grants

Wildlife Habitat Incentives Program

Agricultural Management Assistance

Farm and Ranch Lands Protection Program

Grassland Reserve Program

Healthy Forests Reserve Program



Information on NRCS Conservation Programs (2)

Conservation Reserve Program

Wetlands Reserve Program

Conservation Security Program

Conservation Stewardship Program

Chesapeake Bay Watershed Program

Voluntary Public Access and Habitat Incentive Program

Small Watershed Rehabilitation

Cooperative Conservation Partnership Initiative



Conservation Technical Assistance

Technical Assistance Under the Soil Conservation and Domestic Allotment Act (Section 2802)

- ✓ Broadens the purpose to clarify authorities to preserve soil, water and related resources in addition to promoting soil and water quality
- ✓ Defines Technical assistance as technical services and technical infrastructure



Conservation Technical Assistance

Technical Services

Service provided directly to farmers, ranchers, and other eligible entities, such as conservation planning, technical consultation, and assistance with design and implementation of conservation practices

Technical Infrastructure

Activities, processes, tools, and agency functions needed to support delivery of technical services, such as technical standards, resource inventories, training, data, technology, monitoring, and effects analysis



Conservation Technical Assistance

Delivery of Conservation Technical Assistance (Section 2706)

- This section authorizes the Secretary to provide technical assistance:
 - ✓ To an eligible participant directly
 - ✓ Through an agreement with a third-party provider
 - ✓ or at the option of the eligible participant, through a payment to the eligible participant for an approved third party provider
- Provides authority for contracting with third-party providers for technical assistance
- Defines entities eligible to receive technical assistance under this title



- Where financial assistance is not required, allows the Secretary to enter into technical services contracts with program participants
- Authorizes the Secretary to use mandatory funds and multi-year contracts with third party providers, to establish fair and reasonable payment rates, and to ensure a nationally consistent certification process
- Requires the Secretary to review conservation practice standards to ensure that the conservation practices are consistent with local needs
- Directs the Secretary to ensure that adequate technical assistance is made available to producers involved with organic, specialty crop, or precision agriculture production



Conservation Programs

WORKING LANDS PROGRAMS

Environmental Quality Incentives Program (EQIP)

- ✓ Agricultural Water Enhancement Program (AWEP)
- ✓ Conservation Innovation Grants (CIG)

Wildlife Habitat Incentives Program (WHIP)

Agricultural Management Assistance (AMA)



Environmental Quality Incentives Program (EQIP)

EQIP offers financial and technical assistance to agriculture and forestry producers to promote agricultural production, forest management, and environmental quality as compatible goals

- ✓ Increases funding above the current law by \$3.4 billion in budget authority over the next ten years



EQIP Key Points

Reauthorized until 2012

Validates NRCS forestry activities by specifically referencing forest management

Expanded to include energy conservation benefits associated with conservation practices

Places a priority on reduction of water use or no new lands irrigated

Air quality practices \$37.5 million per year (2009-2012)



EQIP Key Points (2)

Broader scope of conservation payments to include:

- ✓ Specific Planning activities beyond CNMP
- ✓ Build on management intensity concepts of CSP enhancements
- ✓ Payments fit Green Box for WTO



EQIP Key Points (3)

For organic producers:

- ✓ Specific section on assistance with conservation practices utilized for organic production and transition
- ✓ Payments for practices with organic production benefits limited to not more than \$20,000 per year; \$80,000 in 6 years



EQIP Key Points (4)

For limited resource, socially disadvantaged and beginning farmers or ranchers:

- ✓ Up to 90 percent cost share or at least 25 percent above the otherwise applicable rate
- ✓ Advance payments to cover up to 30% of the cost of materials to install conservation improvements



EQIP Funding

Fiscal Year	Dollar Amount
2008	1,200,000,000
2009	\$1,337,000,000
2010	\$1,450,000,000
2011	\$1,588,000,000
2012	\$1,750,000,000



EQIP Payment Limitations

- ✓ \$300,000 per person over a six-year period
- ✓ Up to \$450,000 per person over a six-year period may be authorized for projects of environmental significance



Agricultural Water Enhancement Program (AWEP)

Replaces Ground and Surface Water Conservation Program

Offers financial and technical help to assist farmers and ranchers install or implement conservation practices for agricultural water conservation water quality enhancement activities



AWEP Key Points

A new activity within EQIP on agricultural lands

Promotes ground and surface water conservation

Promotes improved water quality

Projects may be considered in areas experiencing drought to:

- ✓ Impound water to capture surface water runoff on agricultural land for new irrigation projects
- ✓ Maintain ponds



AWEP Key Points

Contracts may be entered into directly with producers to carry out agricultural water enhancement activities, or

Contracts may be entered into directly with producers identified through partnership agreements developed with entities to carry out agricultural water enhancement activities on a regional basis

- ✓ Partners are selected competitively, and eligible producers are enrolled to achieve the project objectives using EQIP contracts



AWEP Funding

Fiscal Year	Dollar Amount
2008	\$0
2009	\$73,000,000
2010	\$73,000,000
2011	\$74,000,000
2012	\$60,000,000



AWEP Payment Limitations

- ✓ \$300,000 per person over a six-year period
- ✓ Up to \$450,000 over a six-year period may be authorized for projects of environmental significance
- ✓ AGI waiver, if necessary to fulfill the objectives of the program



Conservation Innovation Grants

Program reauthorized

Emphasis on efficient and effective transfer of innovative technologies and approaches and increased participation of specialty crop producers



Wildlife Habitat Incentives Program (WHIP)

Assists landowners to develop and improve wildlife habitat on private or Tribal land

- ✓ Will continue to assist in conservation of habitat on agricultural, forest and tribal land
- ✓ Provides cost-share assistance to participants seeking to improve and protect wildlife habitat



WHIP Key Points

Reauthorizes WHIP through 2012

Limits contracts to private agricultural land, non-industrial private forestland, and tribal lands

Increases the percentage of long-term agreements from 15 to 25 percent

Allows a priority for projects that further national, state, or regional habitat goals

Establishes annual payment limits to a person or legal entity of not more than \$50,000



WHIP Funding

Fiscal Year	Dollar Amount
2008	\$85,000,000
2009	\$85,000,000
2010	\$85,000,000
2011	\$85,000,000
2012	\$85,000,000



WHIP Payment Limitations

- ✓ \$50,000 annually per person



Agricultural Management Assistance (AMA)

Provides cost-share and incentive payments to agricultural producers to voluntarily address issues, such as water management, water quality, and erosion control by incorporating conservation practices into their farming operations

Available in 16 states where participation in the Federal Crop Insurance Program is historically low



Agricultural Management Assistance (AMA)

Adds Hawaii

\$15 million in mandatory funding for each of fiscal years 2008 - 2012

Requires a percentage breakout of funding rather than a dollar amount:

- ✓ NRCS 50 percent
- ✓ AMS 10 percent
- ✓ RMA 40 percent



AMA Funding

Fiscal Year	Dollar Amount
2008	\$15,000,000
2009	\$15,000,000
2010	\$15,000,000
2011	\$15,000,000
2012	\$15,000,000



AMA Payment Limitations

- ✓ \$50,000 annually per person



Conservation Programs

PRIVATE LANDS PROTECTION PROGRAMS

Farm and Ranch Lands Protection Program (FRPP)

Grassland Reserve Program (GRP)

Healthy Forests Reserve Program (HFRP)



Farm and Ranch Lands Protection Program (FRPP)

Provides matching funds to help State, tribal, or local governments and non-governmental organizations purchase development rights to keep productive farm and rangeland in agricultural uses

- ✓ Protects farm and ranch land from conversion to non-agricultural uses.
- ✓ Helps limit the impervious area in watersheds thereby protecting water quality.
- ✓ Maintains wildlife habitat in areas where urbanization has significantly reduced habitat.



FRPP Key Points

Creates new conservation opportunities through increased funding

Reauthorizes FRPP through 2012

Changes program purposes from topsoil protection to protecting agricultural use and related conservation values by limiting nonagricultural uses

Changes the Secretary's role in the purchase of easements from acquisition of an interest to providing cost-share to eligible entities

Removes any present or future interest in easements from the Secretary



FRPP Key Points (2)

Changes the minimum entity contribution to 25 percent of the easement acquisition price rather than 25 percent of the appraised fair market value

Allows the entity to designate the terms and conditions of its deed and to choose the appraisal methodology, subject to approval by the Secretary

Allows the Secretary to certify eligible entities

Specifies a minimum agreement length of 5 years for certified entities

Non-certified entities shall have agreement lengths of 3-5 years



FRPP Funding

Fiscal Year	Dollar Amount
2008	\$97,000,000
2009	\$121,000,000
2010	\$150,000,000
2011	\$175,000,000
2012	\$200,000,000



FRPP Payment Limitations

- ✓ No statutory payment limit



Grassland Reserve Program (GRP)

Assists landowners to restore and protect grassland, rangeland, pastureland, shrub land and certain other lands and provides assistance for restoration.

- ✓ 1.22 million acres of grazing land to be enrolled and protected from conversion to other uses





GRP Key Points

Reauthorizes GRP through 2012

Additional 1,220,000 acres for the period of 2009 through 2012

Removes dollar cap

Limits rental agreement options to 10-, 15-, and 20-years

Allows entities to write, own, and enforce easements with a 50 percent match through a cooperative agreement



GRP Key Points (2)

Uses an easement valuation requirement similar to Wetlands Reserve Program

Requires a grazing management plan

Includes contingent right language that would limit Federal rights in entity-secured easements



GRP Funding

2009-2012

1,220,000 NEW acres



GRP Payment Limitations

- ✓ Establishes an annual \$50,000 payment limitation per person for rental agreements and an annual \$50,000 payment limitation per person for restoration agreement payments
- ✓ No statutory limit for easements



Healthy Forest Reserve Program (HFRP)

Assists landowners to restore and protect forest land resources and protects at risk species





HFRP Key Points

Creates new conservation opportunities through increased funding
\$9,750,000 in mandatory for each of fiscal years 2009 through 2012

Enrollment options:

- ✓ Permanent easements
- ✓ 30-year easements
- ✓ 30-year contracts rather than agreements for Indian tribes

Limits funding to

- ✓ 40 percent for 10-year cost-share agreements
- ✓ 60 percent for easements



HFRP Funding

Fiscal Year	Dollar Amount
2008	\$0
2009	\$9,750,000
2010	\$9,750,000
2011	\$9,750,000
2012	\$9,750,000



Conservation Programs

LAND RETIREMENT PROGRAMS

Conservation Reserve Program (CRP)

Wetlands Reserve Program (WRP)



Conservation Reserve Program (CRP)

Removes marginal croplands from production and encourages environmental enhancement on those lands

Provides new Wildlife Habitat program initiative

Reauthorizes and expands the flooded farmlands component of CRP



CRP Acre Limit

32,000,000 acres beginning 2010

CRP Wildlife

\$100,000,000 during 2009-2012

CRP Transition

\$25,000,000 during 2009-2012



CRP Payment Limitations

- ✓ \$50,000 per person annually



Wetlands Reserve Program (WRP)

A voluntary, non-regulatory, incentive-based program that helps private landowners, farmers and ranchers protect and restore wetlands on their property

- ✓ Allows up to 3,041,200 acres of wetlands to be enrolled

Wetlands Reserve Program will have:

- ✓ A revised procedure for valuing property
- ✓ A streamlined review process



WRP Key Points

Reauthorized through 2012

Overall Program Acreage Cap 3,041,200 acres (adds 766,200 acres)

Removed annual acreage cap

Limits enrollment to private or Tribal lands

Specifies cost-assistance for maintenance activities



WRP Key Points (2)

Enrollment Options:

- ✓ Permanent easements
- ✓ 30-year easements
- ✓ 30-year contract option for Tribes
- ✓ Restoration cost-share agreements

Prohibits enrollment of land in easements where ownership has changed during the previous 7 years for the purposes of enrolling in the WRP



WRP Key Points (3)

Changes easement compensation to the lowest of the following:

- Fair market value of the land enrolled based on a
 - ✓ Uniform Standards of Professional Appraisal Practices appraisal, or a Market survey; or
 - ✓ Geographic cap established by the Secretary; or
 - ✓ Landowner offer

These changes will be implemented on the date of enactment



WRP Key Points (4)

Sets an annual payment limit on restoration cost-share agreement payments of \$50,000 per person

Easements of less than \$500,000 may be made in up to 30 payments

Easements greater than \$500,000 may be made in at least 5 and no more than 30 payments

A waiver may be allowed for special circumstances



WRP Funding

Capped at 3,041,200 acres
(766,200 NEW acres)



WRP Payment Limitations

Restoration Agreements

- ✓ \$50,000 per person annually

Easements

- ✓ No statutory limitation



Wetlands Reserve Enhancement Program (WREP)

Special Wetland Programs with States, Tribes, or NGO's

Reserved Rights Pilot Program

Flooded Cropland or Grassland (used for production prior to natural overflow of closed basin or prairie pothole)

Annual interest survey Prairie Pothole Region



Conservation Programs

STEWARDSHIP PROGRAMS

Conservation Security Program (CSP) – 2002 Farm Bill

Conservation Stewardship Program (CSP) – 2008 Farm Bill



Conservation Security Program

Conservation Security Program—

- ✓ Continues funding for current contract holders for signups conducted during fiscal years 2004 through 2008
- ✓ No new enrollments
- ✓ No new modifications



Conservation Stewardship Program (CSP)

CSP pays farmers who are improving conservation treatment on their working lands to encourage the continuation of farming and ranching practices that benefit soil, water, and air resources

Conservation Stewardship Program will:

- ✓ Allow for enrollment in every watershed
- ✓ Every year



Conservation Stewardship Program (CSP)

The renamed **Conservation Stewardship Program (CSP)** will focus on:

- ✓ Incentivizing new conservation
- ✓ Rewarding producers for high levels of additional stewardship
- ✓ Addressing local priority resource concerns



CSP Key Points

Authorized 2009 through 2017

12,769,000 acres may be enrolled each year

Average \$18/acre nationally (FA and TA)

Acres will be allocated based on eligible acres in a state

Applicants must account for stewardship activities covering their entire agricultural operation



CSP Key Points (2)

Applications will be competitively ranked based on:

- ✓ Present and proposed conservation activities
- ✓ Number and extent of resource concerns addressed
- ✓ Cost effectiveness of the expected environmental benefits

The program shall be managed to achieve a national average rate of \$18 per acre, which shall include the costs of all financial assistance and technical assistance



CSP Key Points (3)

A person or legal entity cannot receive CSP payments exceeding \$200,000 during any five-year period

Eligible producers must initially meet the stewardship threshold for one resource concern and be willing to achieve the threshold for at least one additional priority resource concern by the end of their five-year contract

CSP payments will change to be paid retrospectively in the fiscal year after the improvements and activities are completed



CSP Funding

Fiscal Year	ACRES
2008	0
2009	12,769,000
2010	12,769,000
2011	12,769,000
2012	12,769,000



CSP Payment Limitations

- ✓ \$200,000 per person per 5-year period



Conservation Programs

NEW INITIATIVES

Chesapeake Bay Watershed Program

Voluntary Public Access and Habitat Program (Open Fields)

Environmental Services Markets

Cooperative Conservation Partnership Initiative



Chesapeake Bay Watershed Key Points

Provides additional program resources in the Chesapeake Bay Watershed

Provides assistance to producers to minimize nutrient and sediment loading

Special consideration and evaluation of applications in the Susquehanna, Shenandoah, Potomac and Patuxent River Basins

The funds are utilized through existing Farm Bill conservation programs and are available until expended.

FY 09: \$23 million - FY10: \$43 million - FY11: \$72 million - FY12: \$50 million.



Voluntary Public Access and Habitat Incentive Program (Open Fields)

Provides incentives to state governments and Indian tribes to provide public access to private land for hunting and fishing



Open Fields Key Points

Establishes a voluntary public access program 2009 - 2012

States and Tribes may apply for grants to encourage owners and operators of privately held farm, ranch, and forest land to make that land available for wildlife-dependent recreation

The program does not preempt State or tribal government laws, including liability laws

Provides \$50,000,000 in mandatory funds for this program

Includes a 25 percent reduction for the total grant amount to an entity if the opening dates for migratory bird hunting in the State are not consistent for residents and non-residents



Environmental Services Markets

Establishment of science-based technical guidelines to measure environmental service benefits. Creation of a registry to collect, record, and maintain benefits.



Cooperative Conservation Partnership Initiative

Directs 6 percent of funds and acres from Farm Bill Conservation Title programs, except CRP, WRP, FRPP, and GRP, be used for targeted conservation activities and areas

Projects will be selected through a competitive process of applications submitted by partners

Projects will be implemented through existing program authorities and procedures

Funds and acres are directed at the State level (90 percent) and nationally (10 percent)



Programs Reauthorized

Small Watershed Rehabilitation Program

- ✓ Reauthorized through 2012
- ✓ Provides \$100 million in mandatory funding in 2009 to be available until expended

Great Lakes Basin Program for Soil Erosion and Sediment Control

Conservation of Private Grazing Land

Resource Conservation & Development



Conservation Access

Assistance to Certain Farmers and Ranchers to Improve their Access to Conservation Programs:

- ✓ Ten percent funding set aside for Beginning and socially disadvantaged farmers or ranchers
 - ✓ 5% funding set-aside for each group in EQIP
 - ✓ A 5% acreage set-aside for each group in CSP

Funds or acreage not obligated during a fiscal year would be returned to the general EQIP and CSP programs



Adjusted Gross Income Limitation

For conservation programs, persons or legal entities are eligible if—

- ✓ *The average non-farm AGI is less than \$1,000,000, or*
- ✓ *2/3 of the average total AGI is from farming, ranching, or forestry*
- ✓ *The limitation may be waived on a case-by-case basis if:
Environmentally sensitive land of special significance would be protected*

Not in effect until FY2009



Regional Equity and Flexibility

Increases the funding trigger from \$12 million to \$15 million

Considers respective demand in each program in each state

Requires a review and update of program allocation formulas by January 1, 2012



Streamlining Provisions

Section 2001—Definitions Relating to Conservation

“Beginning farmer or rancher”, “Indian tribe”, and “socially disadvantaged farmer or rancher” are moved to this section

In addition, the terms “farm,” “integrated pest management,” “person or legal entity,” “livestock,” “nonindustrial private forest land,” and “technical assistance” are defined



Streamlining Provisions

Section 2702--Authority to Accept Contributions to Support Conservation Programs

Provides authority to accept non-federal funds to administer conservation programs under this Title



Confidentiality (Section 1619)

Strengthens the confidentiality provisions in current law



Transparency

Department of Agriculture Conference Transparency -- Section 14208

Conferences attended by USDA employees over \$10,000:

- ✓ Requires a report to Congress
- ✓ Disclosure on a USDA website



Receipt For Service or Denial of Service From Certain Department of Agriculture Agencies (Section 14003)

Requires issue of receipts to anyone who requests a receipt at the time of their request for USDA service

Details will include:

- Date
- Time
- Place
- Subject of the request
- Action taken or not taken to anyone who requests a receipt at the time of request for USDA service



Conservation Compliance

Section 2002—Review of Good Faith Determinations Related to Highly Erodible Land Conservation

Good faith exemption is maintained, but a second-level review is required

- Compliance Decisions by FSA State Director with technical concurrence by NRCS State Conservationist
- Compliance Decisions by FSA District Director with technical concurrence by NRCS Area Conservationist
- ✓ The amendment allows for **graduated penalties** based on the severity of the compliance violation.



Conservation Compliance

Section 2003— Review of Good Faith Determinations Related to Wetland Conservation.

The good faith exemption for wetland conservation compliance is maintained, but adds a second-level review

- ✓ Compliance decisions by the FSA State Executive Director with the technical concurrence of the NRCS State Conservationist
- ✓ Compliance decisions by FSA District Director with the technical concurrence of the NRCS Area Conservationist



Farm Bill Program Transition for FY2008 (Section 2903)

The Secretary shall continue to carry out any current program or activity, including the Ground and Surface Water Conservation Program, using laws applicable to the program as they existed in the program one day prior to enactment



Rule Making for FY2009

Most rules to be completed in 90 days



2008 Farm Bill Annual Funding (\$ million)

Program	2008	2009	2010	2011	2012
EQIP	1200	1337	1450	1588	1750
AWEP (in addition to EQIP)		73	73	74	60 and thereafter
CIG – Air (Funding included in EQIP)		37.5	37.5	37.5	37.5
GSWC Ground & Surface Water Conservation	60	NA	NA	NA	NA



2008 Farm Bill Annual Funding (\$ million)

Program	2008	2009	2010	2011	2012
WHIP	85	85	85	85	85
AMA (50% for NRCS)	15	15	15	15	15
HFRP		9.75	9.75	9.75	9.75
FRPP	97	121	150	175	200



2008 Farm Bill Annual Funding (\$ million)

Program	2008	2009	2010	2011	2012
Small Watershed Rehabilitation		100 (until expended)			
Voluntary Public Access		50 (until expended)			
CSP "Security"	Such Sums				
Chesapeake Bay Watershed Program		23	43	72	50



2002 Farm Bill Annual Funding (Million Acres)

Program	2008	2009	2010	2011	2012
CSP "Stewardship" (through 2017)		12.769	12.769	12.769	12.769
GRP	1.220 Million NEW acres 2009-2017				
WRP	capped at 3,041,200 acres (766,200 new acres)				



2002 Farm Bill Annual Funding (\$ or Ac. Million)

Program	2008	2009	2010	2011	2012
CRP			32 Ac.	32 Ac.	32 Ac.
CRP Wildlife		\$100 (through 2012)			
CRP Transition		\$25 (during 2009-2012)			



Hold the presses....(Historic Reductions in mandatory spending)

- From 2002 through 2007, the appropriators limited a total of \$2.23 billion dollars from conservation programs.
- In 2007, the NRCS programs in Title II were limited to 71.7 percent of their authorized funding levels.





FY 2007 as an example of funding limits:

	Farm Bill Authorized	Congress Allowed
WRP	250,000 acres	144,776 acres
CSP	\$373 million	\$259 million
EQIP	\$1.27 billion	\$1.017 billion
GSWC	\$60 million	\$51 million
WHIP	\$85 million	\$43 million
FRPP	\$97 million	\$50 million
AMA	\$14 million	\$6 million
Rehab.	\$65 million	0





United States Department of Agriculture
Natural Resources Conservation Service

For More Information, visit:

- ✓ Your local USDA Service Center
- ✓ Your local conservation district
- ✓ <http://www.nrcs.usda.gov>