

**WRITTEN STATEMENT OF
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U.S. DEPARTMENT OF AGRICULTURE
BEFORE THE HOUSE COMMITTEE ON AGRICULTURE
SUBCOMMITTEE ON CONSERVATION AND FORESTRY
JANUARY 28, 2020**

Chairwoman Spanberger, Ranking Member LaMalfa, and Members of the Subcommittee, thank you for the opportunity to appear before you today to testify about the United States Department of Agriculture's conservation programs administered through the Natural Resources Conservation Service (NRCS) and Farm Service Agency (FSA). We appreciate the ongoing support of this Subcommittee for voluntary, private lands conservation and the improvement of our soil, water, and other natural resources. We are also grateful to the committee for providing us the authority to implement our programs in 2019 through existing regulations.

We are pleased to report today that the NRCS and the FSA, under the leadership of Secretary Perdue and Under Secretary Northey, have made significant progress with the implementation of the conservation title of the Agriculture Improvement Act of 2018. We would like to provide you an update on the progress we have made on conserving resources on our nation's working lands.

NRCS moved quickly to implement the 2018 Farm Bill provisions. Agency staff held dozens of meetings across the country to evaluate policy and prepare recommendations for improved services, develop streamlined directives, and draft the rules and associated analyses all while

conducting signups for a variety of conservation programs in 2019. This could not have been accomplished without support from our dedicated staff, partners, and our customers.

NRCS field offices held 2019 signups and approved the contracts and agreements for the Agricultural Conservation Easement Program (ACEP), Conservation Stewardship Program (CSP), and the Environmental Quality Incentives Program (EQIP). Field offices concurrently serviced Farm Bill program contracts and agreements that were enrolled in prior years. Extensions for CSP and Regional Conservation Partnership Program (RCPP) agreements were offered to eligible participants.

The 2018 Farm Bill required NRCS to revise its program rules and provided an opportunity to improve program implementation through the evaluation of how each can be used in conjunction with one another to improve efficiency. Four of the five interim rules have been published, including those for ACEP, CSP, and EQIP; and one we refer to as the “miscellaneous rule” that streamlined minor changes to multiple rules in one *Federal Register* publication. The rules updated through the “miscellaneous rule” include Technical Service Providers, Healthy Forests Reserve Program, Administration of State Technical Committees, Voluntary Public Access and Habitat Incentive Program, and the Watershed Protection and Flood Prevention Act program. The RCPP interim rule is expected to be published soon. Following public comment periods on each interim rule, NRCS will begin development of final rules that will publish sometime in 2020. Below are highlights of changes to our flagship programs and additional key components of the 2018 Farm Bill.

Agricultural Conservation Easement Program (ACEP) - The 2018 Farm Bill added provisions to improve partnership implementation opportunities through reduced requirements on the ACEP Agricultural Land Easements (ALE) partners. For example, it removed a planning requirement, added buy-protect-sell provisions, and adjusted cash match requirements. The public comment period runs through March 20, 2020. In FY2019, NRCS enrolled approximately 160,000 acres through over 450 new enrollments.

Conservation Stewardship Program (CSP) - The 2018 Farm Bill reauthorized CSP through 2023 and changed the program from an acre-based to a cash-based program. As required, we have been working to streamline the program and better align it with EQIP. Our improvements will result in more efficient programming whereby EQIP and CSP are complementary programs rather than competitors. The bill also added the CSP Grassland Conservation Initiative, simplified the ranking criteria, incentivized conservation activities such as cover crops, advanced grazing management and resource-conserving crop rotations, and continues support for organic production. The public comment period closed on January 13, 2020. We are evaluating comments and considering recommendations as we continue to review the program's procedures and guidelines internally to provide the best level of service to producers in subsequent years.

Environmental Quality Incentives Program (EQIP) - The 2018 Farm Bill expanded program focus by adding "weather volatility" and "drought resiliency" to the list of program purposes. It expanded program enrollment opportunities for participants by inserting conservation incentive contracts as an enrollment option and special outreach for advance payments and subsequent election. It expanded the program's reach by adding eligible applicants to include "water

management entities” identified as state, irrigation district, groundwater management district, acequia, and land-grant-merced. Increased payment rates were also authorized for certain high-priority practices and source water protection. NRCS announced the availability of On Farm Conservation Innovation Trials in 2019. Through these trials NRCS and partners will work together on the adoption of innovative practices with a specific focus on soil health strategies for carbon capture. The comment period for the EQIP rule closes February 17, 2020. In FY2019, EQIP financial assistance obligations totaled over \$1.2 billion in 41,471 active or completed contracts covering an estimated 12 million acres.

Feral Swine Eradication and Control Pilot Program - The Farm Bill provided \$75 million in mandatory funding for Fiscal Years 2019 through 2023, and this funding is equally divided between NRCS and the Animal and Plant Health Inspection Service (APHIS) to carry out the pilot program. Pilot areas were identified collaboratively by NRCS and APHIS state personnel in consultation with the state technical committees.

In this first year of the program, USDA has identified 20 pilot projects and has prepared for project implementation beginning in early FY 2020. These pilot projects have been identified in 10 of the 11 states that APHIS determined have the highest density of feral swine. These states are: Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, and Texas. California did not identify pilot projects for implementation in FY 2020.

In June of 2019, NRCS solicited partner proposals to carry out NRCS-funded activities. This solicitation closed in August 2019. Partners submitted 34 proposals, and at least one proposal was received for activities in each of the pilot areas.

Regional Conservation Partnership Program (RCPP) -- The 2018 Farm Bill made a number of changes to RCPP that will provide greater opportunities for partners and enable NRCS to implement the program more efficiently. Of note, RCPP is now a stand-alone program with \$300 million in annual funding. Moving forward, landowners and agricultural producers will enter into RCPP contracts and RCPP easements. NRCS may award up to 15 Enhanced Alternative Funding Arrangement (AFA) projects, which are more grant-like and rely more on partner capacity to implement conservation activities. The announcement offering AFA opportunities will be released after the rule is published. And, all RCPP projects must now develop and report on their environmental outcomes, providing a greater emphasis on project outcomes.

Throughout 2020, NRCS staff will be working with customers throughout the country on the newly-launched Conservation Assistance Ranking Tool (CART). This tool was designed to conduct conservation planning and deliver our programs more efficiently. CART will also track conditions on the land, including resource concerns. The information collected through CART will enable NRCS to better report on the outcomes from our conservation efforts and will inform future conservation planning efforts. Overall, the improvements made through CART will enhance our customer experience and is also expected to save 200,000 hours of staff time each year.

The 2018 Farm Bill also provided for some of the most extensive changes to FSA conservation programs in recent history. As we implemented the Farm Bill provisions, FSA made administrative decisions that prioritized the conservation goals of the programs and ensured that the programs would not adversely impact new farmers and ranchers who are critical to the future of American agriculture. Administrative decisions were facts-based, data-driven, and customer-focused.

Conservation Reserve Program (CRP)-- This year marks the 35th anniversary of the CRP, administered by FSA. This Farm Bill program provides a variety of conservation and economic benefits. By enrolling in CRP, producers are improving water quality, reducing soil erosion, and restoring habitat for wildlife. This in turn spurs hunting, fishing, recreation, tourism, and other economic development across rural America. Following an abbreviated signup in 2019, updating of rental rates, and publication of our regulation, FSA opened CRP signup under the broader suite of 2018 Farm Bill provisions for both continuous and general CRP on December 9, 2019.

CRP Continuous Signup -- The continuous signup is noncompetitive and ongoing, targeting certain high-priority conservation practices.

CRP General Signup -- The general signup is now an annual competitive opportunity for producers to enroll acres in CRP, which ends this year on February 28. This signup includes increased opportunities for enrollment of wildlife habitat through the State Acres for Wildlife Enhancement (SAFE) initiative.

While some practices under SAFE will remain available through continuous signup, CRP continuous signup now focuses primarily on water-quality practices under the Clean Lakes, Estuaries, and Rivers (CLEAR) Initiative. The 2018 Farm Bill prioritizes water-quality practices such as contour grass strips, filter strips, riparian buffers, wetlands, and “new” prairie strips.

CRP CLEAR30 Pilot -- In addition to the CLEAR Initiative practices already being enrolled through the regular 10- to 15-year continuous signup contracts, FSA will also offer a new CLEAR30 pilot beginning later this year. CLEAR30 will provide an opportunity for producers to re-enroll in CRP CLEAR initiative practices for 30 years.

CRP Grasslands -- A separate CRP Grasslands signup will now be offered each year following general signup. This year CRP Grasslands signup begins March 16 and ends May 15. CRP Grasslands helps landowners and operators protect grassland, including rangeland and pastureland and certain other lands while maintaining the areas as grazing lands. Additional information on CRP Grasslands will be provided in the next few weeks.

CRP Soil Health and Income Protection Pilot Program (SHIPP) – The signup for SHIPP will be announced soon. SHIPP will allow producers in the prairie pothole region the option of a three- to five-year CRP contract to establish cover on less productive cropland.

CRP Transition Incentives Program (TIP) -- TIP is also now available to all owners and operators of expiring CRP acres and enables the transition of that land to a beginning, veteran or socially-disadvantaged farmer or rancher to return land to production for sustainable grazing or

crop production. TIP participants may have a lease of at least five years with an option to purchase, and they have two years before the end of the CRP contract to make conservation and land improvements.

Emergency Conservation Program (ECP)-- FSA has also implemented all 2018 Farm Bill provisions related to ECP. This program provides emergency funding and technical assistance to farmers and ranchers to rehabilitate farmland damaged by natural disasters in order to restore the land's productive agricultural capacity and to implement emergency water conservation measures in periods of severe drought. Farm Bill changes included advanced payments for fencing, increased cost-share for socially-disadvantaged participants, added wildfires as an eligible disaster event, and increased payment limits.

Farm Loans for Conservation -- FSA continues to support farmers and ranchers to promote and fund conservation practices through its direct and guaranteed loan programs. Family farmers unable to obtain commercial financing may use direct and guaranteed farm ownership and operating loan funds for costs associated with land and water development, or to promote soil and water conservation and protection. Larger and financially stronger farmers may use guaranteed conservation loan funds for conservation activities included in a conservation plan or Forestry Stewardship Management Plan. Additionally, existing borrowers may qualify for a reduction in indebtedness in exchange for a conservation contract (also referred to as Debt for Nature) that restricts the type and amount of development that may take place on marginal cropland and other environmentally sensitive lands for conservation, recreation, and wildlife purposes.

Grassroots Source Water Protection Program (GSWPP)-- FSA also oversees GSWPP, providing \$6.5 million annually under the 2018 Farm Bill to the National Rural Water Association to implement the Source Water Protection Program.

Conclusion

We are proud to update this committee on the thoughtful and coordinated actions to implement the provisions of the Farm Bill that both the Natural Resources Conservation Service and Farm Service Agency have taken. We continue to work together to ensure our programs work for the benefit of our nation's farmers and ranchers as intended.

And while we have worked very hard to implement these changes as quickly as possible, we have done so while continuing to provide consistent delivery for these impacted programs throughout this past year. We recognize the need to continue our efforts and to work closely with our partners inside and outside the agencies to build and conserve our nation's natural resources.

Madame Chairwoman this concludes our statement. We are happy to answer your questions and those of the other Subcommittee Members.