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Testimony of Mr. Tim Palmer

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House Agriculture Subcommittee on Conservation and Forestry
“Challenges and Successes of Conservation Programs in 2020”

Good morning, Chairwoman Spanberger, Ranking Member LaMalfa and members of the Subcommittee. Thank you for the opportunity to testify on the challenges and successes of conservation programs in 2020. My name is Tim Palmer, and with my family, we operate a farm near Truro, Iowa. We produce corn, soy, oats, hay and beef cattle.

Our farm was founded in 1958 by my father, and I joined the operation in 1974 after high school. Conservation has been a core tenet of our farming operation since its founding. In the 1960s, my father began by adding ponds, managing livestock water, and using terraces to control runoff. Now, our current conservation practices include terraces, waterways, filter strips and ponds, as well as rotational grazing for the cattle herd. On our operation, we have used the Conservation Reserve Program (CRP) and the Environmental Quality Incentives Program (EQIP). Currently, my farm is enrolled in EQIP to improve habitat for pollinators.

In 2003, my interest in conservation led me to serve on my local conservation district board – the Madison County Soil and Water Conservation District (SWCD). Like many others, I had almost no concept of my local conservation history. I ran for my district board to learn more about NRCS and state conservation programs. Learning from the long-time local board members about the county’s conservation history and how the conservation partnerships within the state work was an invaluable education. I became involved with my state association of conservation districts, Conservation Districts of Iowa, serving in several leadership capacities, including state association president, and learning more about the national association in the process.

I currently serve as the president of the National Association of Conservation Districts (NACD). NACD is the nonprofit organization that represents America’s 3,000 conservation districts, their state and territory associations, and the more than 17,000 men and women who serve on their governing boards. Conservation districts are local units of government established under state law to carry out natural resource management programs at the local level. Conservation districts work with millions of cooperating landowners and operators to help them manage and protect land and water resources on all private lands, and many public lands, in the United States. I first joined the NACD Board of Directors in 2009, and I have served as an Executive Board Member, First Vice-President, and I began my presidency term in February 2019.

Conservation District History

Conservation districts were created as a result of the Dust Bowl, shortly after the Soil Conservation Service (SCS), now called the Natural Resources Conservation Service (NRCS). This was a time before the major conservation programs we know today were established. The SCS was charged with demonstrating soil conservation practices for farmers whose topsoil was literally blowing away.

When the SCS was created, President Franklin Roosevelt understood that these new federal employees would need local partners to be successful. In 1936, President Roosevelt recommended the Standard State Soil Conservation Districts Act be signed into law by all state governors. This act gave states a step-by-step guide to create conservation districts and listed their powers and responsibilities. Less than a week after receiving the draft language, Arkansas became the first state to enact legislation regarding conservation districts. The first conservation district, Brown Creek SWCD, was established in North Carolina on August 4, 1937. By July 1, 1945, all 48 states had passed district-enabling acts. There are now nearly 3,000 conservation districts across the country, including conservation districts in all U.S. territories and a number of tribal conservation districts, all governed by a local board of supervisors.

Just as the SCS has evolved into the NRCS we know today, conservation districts have grown and evolved as well. Originally created to be the local partner for conservation, districts now have the formal role of convening and managing Local Work Groups. These groups bring together local stakeholders to set priorities for conservation programs within the conservation district based on input from the citizenry. When we discuss locally-led conservation, it is this Local Work Group process that brings the local voice to conservation programs. Input from Local Work Groups directly impacts the criteria used to rank conservation program applications and, ultimately, which applications are funded.

Although created because of the Dust Bowl, conservation districts, as well as USDA, now have a much broader focus than just soil erosion. Conservation districts address water quality, water quantity, wildlife habitat, forestry and other resource concerns. Conservation districts work with NRCS and other federal agencies such as the Environmental Protection Agency (EPA); state agencies; and local governments and partners. Conservation districts are uniquely able to bring all of these partners together to address a range of resource concerns on both private and public lands.

Conservation Delivery in Action

It is important for the Committee to understand how important technical assistance is to the successful implementation of conservation planning and farm bill conservation programs. You cannot simply cut a check and say 'go forth and do good;' landowners need the technical expertise to implement these conservation systems. Often, landowners need the technical assistance as much as or more than the financial assistance provided by farm bill conservation programs. The conservation delivery partnership between conservation districts, state conservation agencies and NRCS, which has existed for decades and is trusted by landowners across the country, is the gold standard.

Conservation districts and NRCS work together closely to provide conservation planning and technical assistance, implement conservation programs, and address local natural resource concerns. Conservation districts and NRCS are usually co-located in county offices, and through cooperative agreements, many conservation districts assist in implementing NRCS programs. Conservation districts work with landowners to address resource concerns, help landowners apply to conservation programs, and implement practices on cooperators' land. Even though they have separate employers, conservation district and NRCS employees work hand-in-hand to deliver the customer service our farmers and ranchers need and deserve. To the clients who come into the offices, there is often no distinction between the different staff that assist them.

This exceptional technical assistance requires extensive training, and many conservation districts have skilled staff who have completed the same training as NRCS employees. In fact, NACD has a cooperative

agreement with NRCS to send conservation district employees to NRCS's Conservation Planning Boot Camp in Lincoln, Nebraska. As part of this agreement, NACD is able to fund travel and expenses for conservation district employees to attend the three-week long training course, and NRCS holds space open specifically for conservation district employees. Conservation district employees are also able to take the many courses available to NRCS employees conducted on the state level, as well as available online courses.

Challenges to Conservation Delivery

Successful conservation delivery relies on adequate field staff to work with landowners and implement programs. Currently, NRCS is about 2,000 employees short of their employment cap, based on the agency's own workload analysis of the technical support needed to fulfill program requirements. Although over 1,000 new staff members have been hired, the agency is just keeping up with attrition. Those 2,000 unfilled positions are a hiring backlog that has persisted for several years. NRCS simply cannot hire fast enough to meet their own needs. The current staff are insufficient to meet the demand for conservation planning and implementation of farm bill conservation programs at Congressionally authorized funding levels.

Conservation districts have stepped up to help fill this gap. Conservation district staff have always been involved in implementing federal conservation programs. However, conservation district staff are taking on a greater share of conservation delivery across the country. Although we would much rather see NRCS fully staffed, America's conservation districts are ready and willing to continue assisting in meeting the needs at hand.

One tool that has allowed conservation districts to rise to meet landowners' needs is NACD's Technical Assistance Grant Program. Since 2018, NACD has worked in partnership with NRCS to administer between \$9-\$15 million per year to conservation districts, state and territory associations, and other local conservation entities like resource conservation and development councils (RC&Ds). These funds are matched by over \$3-\$5 million during each of these three years through state and local contributions. This funding is used to hire staff in the highest workload priority areas to help deliver EQIP and the Conservation Stewardship Program (CSP), as well as provide Conservation Technical Assistance (CTA) to landowners. As of the end of June 2020, NACD and NRCS's funds have provided nearly 300 full and part-time positions across the country, and those grant-created positions have worked more than 640,000 hours during a period of just over two years. These technical assistance staffers are tasked to improve customer service and reduce workload pressure. Their efforts have assisted with more than 14,000 conservation plans and 30,000 EQIP contracts and have delivered conservation systems on more than 1.5 million acres of American working lands.

Thomas Jefferson SWCD is Virginia's first awardee from NACD's Technical Assistance Grant Program and is a prime example of what these funds are meant to address. The SWCD was awarded funding in June and has already started their work to place staff in the Louisa and Charlottesville SWCD offices to increase technical assistance and general outreach to the small farms in the area. Their goal is to increase participation in CSP for the conservation district's entire service area.

One of the hallmarks of this program is that each conservation district is able to use the funds to address their most pressing issues. The Glenn County Resource Conservation District in California has used the funds to hire engineers to design EQIP practices. Yet, the Sonoma Resource Conservation District, also in

California, has taken a different approach, hiring foresters to work with landowners on management concerns. By empowering local decisionmakers to prioritize funding where they need it, NACD's technical assistance grant program has helped to temporarily improve staffing where it's needed most.

Staffing at NRCS is an issue in which this Subcommittee has taken an interest in the past. Demand for technical assistance has remained constant or increased while staffing levels have declined. I hope Congress will continue to support USDA in streamlining the process of hiring new employees. Congress should encourage even greater direct hiring authority for NRCS field staff.

The current COVID-19 pandemic has also presented a new set of challenges for conservation delivery. County service centers have remained available to customers, although they have adopted procedures to assure safety for customers as well as employees. This means customers need to make an appointment, and there are limitations on how many employees or customers can be in an office at the same time. Although meetings with producers in the field are still allowed, there are also restrictions in place on how many people can ride in a single vehicle and where they can sit. Staff have been conducting much more business by phone and online than they have in the past, and I'd say that overall, conservation district staff are rising to the challenge this new situation has posed quite admirably. However, these restrictions have proven disruptive to normal operations in many county service centers.

Another concern for conservation districts stemming from the pandemic is the impact of state and local budget cuts. Already, a number of conservation districts have needed to furlough staff members because of budget considerations. Conservation districts are concerned that revenue shortfalls and associated budget cuts for state and local governments will trickle down to conservation districts that receive funding from their state and/or county. For many conservation districts, this non-federal funding is used to pay for a district manager and to ensure that someone is answering the phones and responding to customers. Cuts to district funding at the state and local level hit at the heart of district operations and may impact capacity for federal conservation delivery as well.

Financial aid for state and local governments has been considered as Congress continues to debate additional COVID-19 relief legislation. There are many places where state and local governments will consider budget cuts without additional aid; please know that conservation districts are one of these places. Additional state and local government funding is needed to ensure that conservation districts can continue to deliver conservation over the next few years.

Current Opportunities

Although the COVID-19 pandemic has posed many challenges to conservation delivery, the adoption of conservation practices provides opportunities to strengthen both our natural resources and our local economies. Implementing conservation practices makes operations more resilient, whether facing weather extremes or economic challenges, like many farmers and ranchers are currently facing.

In 2017, NACD and Datu Research, LLC released a set of three-year case studies on four corn and soybean farms in the Upper Mississippi River Basin, detailing year-by-year budget data on their adoption of cover crops or no-till.¹⁰ These farmers shared decisions they made and why; how adoption affected income and yields; and what they learned. Each case study uses budget analysis to measure yearly

¹ <https://www.nacdnet.org/soil-health-research/>

changes in income that the farmer attributes to adoption, compared to the pre-adoption baseline.

The major takeaways were that although planting costs increased by up to \$38 per acre:

- Fertilizer costs decreased by up to \$50 per acre;
- Erosion repair costs decreased by up to \$16 per acre;
- Yields increased by up to \$76 per acre; and altogether
- Yearly net income increased by up to \$110 per acre.

That increased income and efficiency is an important buttress against an external shock to farm and ranching operations, whether that's from weather events, like the derecho we experienced in Iowa this year, the catastrophic wildfires many states continue to experience in the West, or from the economic fallout of trade wars or a pandemic. NACD is currently working to expand these soil health case studies to include other regions and cropping systems across the country.

The economics of conservation are particularly important, because producers need to be profitable to invest in conservation. Even with federal cost-share, conservation practices require a financial investment by the producer themselves. When a producer is struggling just to pay the costs of production, conservation will certainly be cut from the budget.

Conservation also has a positive economic impact on the local communities where it is underway. Conservation practices require technical assistance, equipment and inputs to implement. Local advisors, like engineers, agronomists and wildlife specialists, are employed to aid conservation adoption. Many practices require specialized equipment to plant crops or maintain structures like small watershed dams. Some practices require inputs as well, such as seed or plantings. All these necessities become a driver of economic development, helping to bolster both the land and the local economy. And once installed, these practices ease the burden on local infrastructure, such as bridges and culverts, assisting the local governments responsible for these structures. It is clear to me that conservation has a crucial role to play, not only for benefits to the environment, but as an engine as we look to recover and rebuild our economy.

I appreciate the invitation to speak before the Subcommittee this morning on a topic that is so close to my heart and look forward to answering any questions you might have.