

The Conservation Title in the 2018 Farm Bill

While “evolutionary, not revolutionary” was the oft-repeated mantra during this Farm Bill process, the final bipartisan 2018 Farm Bill legislation does make several significant policy changes to the largest of the conservation programs.

The biggest victory for the conservation community at large is maintaining baseline spending, which means that no funds previously spent on conservation programs were moved to other titles of the bill. This was no small feat, since there were costly changes sought in other Farm Bill titles, and the House bill had cut the title by \$795 million over 10 years.

Conservation Title Acronyms:

ACEP – Agricultural Conservation Easement Program

RCPP – Regional Conservation Partnership Program

CRP – Conservation Reserve Program

CLEAR – Water Quality Practices to Foster Clean Lakes, Estuaries, and Rivers

CREP – Conservation Reserve Enhancement Program

EQIP – Environmental Quality Incentives Program

CSP – Conservation Stewardship Program

PL-566 – Watershed Protection and Flood Prevention Act

AGI – Adjusted Gross Income

Overall Highlights

- **Baseline funding for the conservation title was maintained**
- **ACEP received an increase of \$2 billion**, partially filling the hole left by the previous farm bill. There were a number of reforms included that allowed more flexibility and increased program participation
- **RCPP** was reauthorized at \$300 million a year in mandatory funds, and the 7% donor program funding mechanism was repealed
- **CRP’s cap was increased to 27 million acres**. CLEAR and CREP were statutorily authorized, rental rates were reduced, flexibility for haying and grazing was granted, and a floor was established for grasslands and continuous acres
- **EQIP** funding increases over the course of the bill, ending at \$2.025 billion in 2023
- **CSP was not merged with EQIP**, although they are now in a single chapter with subchapters A and B. CSP was monetized rather than remaining acreage-based, and the \$18 per acre payment rate and automatic renewals were eliminated
- A **grasslands initiative** was included that allows base acres that had been unplanted and in grass for the past ten years to receive entry into a new CSP subprogram paying \$18 an acre
- A title-wide **AGI waiver for lands of special environmental significance** was adopted
- **PL-566 received significant funding of \$500 million over 10 years**

Agricultural Conservation Easement Program

- Funded at \$450 million per year
- Allows a flexible combination of owner donation, deed costs, and cash to make up non-federal share
- Eligible land was *not* expanded to allow 100% forested easements
- ALE plan requirement was removed and replaced with 2008 Farm Bill requirement for conservation plans on highly erodible land
- Clarification of a certified entity's ability to use its own deed terms
- Adds certification criteria to allow land trusts with formal accreditation and state Purchase of Agricultural Conservation Easement (PACE) programs to become more easily certified
- Amends subordination, modification and exchange, and termination administrative section to recognize the rare need to modify easements and set differing thresholds for each
- Authorizes buy-protect-sell transactions
- Adds mineral development language to mirror current regulatory practices
- Clarifies that the right of enforcement only extends to inspection if a monitoring report is not completed, or if there is an articulable reason to suspect a violation
- Allows for changes to ranking criteria to account for geographic differences

Regional Conservation Partnership Program

- Reauthorizes and funds the program at \$300 million per year and repeals the 7% donor program funding mechanism
- Authorizes up to 15 grant agreements or alternative funding arrangements per year; under this provision, project partners may directly provide conservation services to farmers and ranchers
- Adds the authorities of CRP and PL-566 to covered programs
- Authorizes a program-specific contract, which means producers will no longer sign up through contracts for covered programs
- Calls for a simplified application process
- Allows for up to five-year projects, with an option five-year renewal, and an additional one-year extension for both the original five-year term and the renewal
- Emphasizes outcome quantification of conservation benefits, including requiring the agency to provide guidance to partners on how to measure or estimate their project outcomes
- Clarifies that partner contribution can be in-kind or direct (cash) funding
- Allows partners to consider activities starting at the announcement of the project but prior to the signing of the contract to count as contribution towards the project
- Authorizes Secretary to identify an RCPP coordinator for each state
- Allows application bundles from multiple producers, and gives priorities for those bundles

Conservation Reserve Program

- Raises CRP cap to 27 million acres with a ramp up of 24 million in FY19, 24.5 million in FY20, 25 million in FY21, 25.5 million acres in FY22, and 27 million in FY23
- Adds a floor of 2 million grassland acres with a ramp up of 1.5 million in FY20 and 2 million in FY21 and beyond

Subprograms and Pilot Programs

- Authorizes a continuous CRP acreage floor of 8.6 million acres by 2023
- Authorizes the CLEAR initiative and reserves 40% of continuous acres for CLEAR
- Codifies CREP and allows NGOs to be an eligible partner
- Authorizes a pilot, Clear 30, which authorizes 30-year contracts
- Authorizes a 50,000-acre pilot program, Soil Health and Income Protection Pilot, within CRP to offer short-term CRP contracts
- TIP expanded to beginning, veteran, and socially disadvantaged farmers
- Reauthorizes but limits farmable wetland program to 500,000 acres

Reforms

- Rental rates reduction to 85% of county rental for general CRP, 90% of county rental rate for continuous CRP
- Caps seed cost at 50% of the total cost of the seed mixture
- Cost-share payment when combined with all other funding sources cannot exceed 100% of total cost of installing practices
- Practice incentives payments (PIPs) are allowed, but can't exceed 50% of cost of establishing those practices
- Signing incentive payments (SIPs) are capped at 32.5% of the first annual rental payment
- Provides additional haying and grazing flexibility
- Authorizes state enrollment target language
- Limits land devoted to trees to one re-enrollment
- Authorizes wellhead protection area practices
- Allows Secretary to waive mid-contract management if a natural disaster has the same effect
- Allows mid-contract management grazing with no cost-sharing payment
- Allows state FSA Committees or partners in CREPs to propose alternative soil rental rates
- Allows farmers to transition into EQIP or CSP at end of contract

Environmental Quality Incentives Program

- Funded at \$1.75b in FY19, \$1.75b in FY20, \$1.8b in FY21, \$1.85b in FY22 and \$2.025b in FY23
- Allows for “new and expected” resource concerns to be addressed
- Authorizes soil testing and soil remediation as EQIP practices
- Authorizes new conservation activity plans including conservation planning assessment, soil health planning, resource conserving crop rotation planning and precision conservation management planning
- Requires notification of an advance payment option to beginning, limited resource, and socially disadvantaged producers
- Authorizes increased payments for up to 10 high-priority practices as determined by the state
- Lowers livestock set-aside from 60% to 50%
- Raises wildlife set-aside from 5% to 10%, and allows for longer-term contracts
- Allows irrigation districts and acequias to participate in certain EQIP projects
- Raises organic EQIP payment limit to \$140,000 over the course of this Farm Bill
- Allows for progressive implementation of nutrient management plans
- Makes community colleges eligible for Conservation Innovation Grants (CIGs)
- Authorizes On-Farm Conservation Innovation Trials and Soil Health Demonstration Trials under CIGs
- Adds Conservation Incentives Contracts (similar to pre-2008 EQIP)

Conservation Stewardship Program

- Funded at \$700M in FY19, \$725M in FY20, \$750M in FY21, \$800M in FY22, \$1B in FY23.
- Monetized rather than having an acreage cap, and the \$18 per acre payment rate was eliminated; automatic renewals are eliminated
- Adds development of a comprehensive conservation plan, soil health planning, including planning to increase soil organic matter; and activities that will assist a producer to adapt to, or mitigate against, increasing weather volatility to definition of conservation activities
- Redefines key term “stewardship threshold” to include more defined criteria, including predictive analytic tools and models to more accurately measure conservation improvement
- Changes ranking of application section to focus on environmental benefits
- Changes contract renewal to focus on new and improved activities and demonstrating continued improvement
- Further changes contract renewal section to lower standard for renewal from exceeding the stewardship threshold to improving conservation activities to achieve higher levels of performance
- Gives special payment rate to cover crop activities (125% of the normal rate)
- Adds advanced grazing management to eligibility for supplemental payments

- Changes resource conserving crop rotation definition
- Gives special payment rate to resource conserving crop rotations and advanced grazing management (150% of normal rate)
- Sets special payment rules for a one-time payment for the creation of a comprehensive conservation plan
- Sets special funding rules for allocating funds to states for organic certification and transition to organic operations
- Authorizes the Secretary to streamline and coordinate EQIP and CSP
- Directs the Secretary to manage the program to enhance soil health
- Authorizes an annual report to Congress describing the payment rates for conservation activities and an analysis of whether they can be reduced for the most expensive conservation activities

Other

- Authorizes \$500 million over 10 years for funding for PL-566
- Authorizes a Feral Swine and Eradication and Control Pilot Project and funds the program with \$75 million in mandatory funds
- Authorizes mandatory funding of \$50 million for Voluntary Public Access and Habitat Incentive Program
- Reauthorizes Grassroots Source Water Protection Program and funds the program with \$5 million in mandatory funds
- Reauthorizes Conservation of Private Grazing Land Program and authorizes additional partnership opportunities
- Codifies Working Lands for Wildlife Program
- Repeals numerous unused programs

Technical Assistance

- Defines Third-Party Provider
- Allows third parties to certify technical service providers (TSPs)
- Authorizes streamlined certification process for TSP with certain qualifications

Administration Section

- Provides emphasis for protection of drinking water sources in all conservation programs
- Authorizes the Secretary to work with State Technical Committees and community water systems to identify local priority areas in each state for the protection of source waters for drinking water
- Authorizes the Secretary to offer additional incentives for practices that result in significant environmental benefits where benefits occur primarily downstream
- Reserves 10% of conservation funding for source water protection of drinking water