

SUSTAINABLE AGRICULTURE

Farm Bill Conservation Priorities

If current trends continue, farmers and ranchers will need to feed more than 9 billion people by 2050. Meeting that skyrocketing demand while protecting our natural resources, iconic landscapes and wildlife habitat will require new ways of doing business. We need to channel the innovation that has long characterized American agriculture into production improvements that will minimize harmful impacts to water and climate while sustaining the economic viability of farmers themselves. These goals can be accomplished through voluntary farm bill programs that allow greater farmer innovation and flexibility while still maintaining or even increasing production and overall yield.

Farm bill principles for conservation adoption at scale

For more than 15 years, Environmental Defense Fund has worked cooperatively with farmers and ranchers to demonstrate and expand adoption of practices that benefit both farmers and the planet. Federal policy can and should support and accelerate these practices, yet the reality is that federal policy lags behind and in some cases hinders farmer and private sector innovation. Outdated federal programs have not kept pace with private-sector advances in production agriculture, soil health and market-based financing. Aligning federal policy with proven best practices and technologies will allow USDA to meet the demands of 21st century agriculture.

EDF sees a number of key opportunities to advance conservation at scale:

- Promote public-private partnerships
- Accelerate innovation
- Prioritize and reward sustainable productivity

Promote public-private partnerships

Federal policies alone are not adequate to support farmers and protect our natural resources. A broader range of stakeholders including agricultural retailers, nonprofits and corporations must work together and with USDA to execute projects that deliver real, measurable results at scale – and that make the best use of taxpayer dollars. These collaborations can increase the reach and sustained impact of USDA programs by bringing additional technical and financial resources to the table.

By addressing some needed improvements to the Regional Conservation Partnership Program (RCPP), federal policy can create a powerful public-private partnership engine to deliver far greater conservation outcomes.

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Improve the Regional Conservation Partnership Program

- Re-focus RCPP on multi-partner public-private projects working in high-priority watersheds. Projects should target funding to optimize environmental benefits while also identifying specific, measurable outcomes.
- Treat RCPP as a separate program and require the Natural Resources Conservation Service (NRCS) to create a

RCPP conservation contract with the intention of allowing flexibility within program authority and eliminating stovepipes between programs.

- Provide USDA with the necessary technical assistance (TA) and administrative funds to implement the program. TA should be a mandatory set-aside and not siphoned from project awards.
- Reinforce that RCPP projects can include modification of conservation practice standards if they can be justified as ecologically sound at the local level.
- Allow projects to propose the use of conservation practices not yet approved by NRCS but for which the applicants can provide evidence of the environmental benefits.
- Increase overall funding levels for RCPP and eliminate the requirement that projects must operate solely through covered programs. Instead, allow donor program contributions to RCPP to remain as RCPP funds once transferred.
- Maintain the adjusted gross income waiver authority and add Environmental Quality Incentives Program pay cap waiver authority.
- Replace the current Alternative Funding Arrangement with authority to facilitate efficient enrollment of multiple producers into an RCPP project and encourage innovative financing mechanisms like pay for performance or environmental markets.



Accelerate innovation

USDA's NRCS is the preeminent federal agency working to conserve natural resources on privately owned agricultural land. However, NRCS suffers from a cumbersome and unclear decision-making process that hinders adoption of technology and scientifically sound conservation practices. The farm bill should redirect NRCS to focus on its strength: providing technical assistance to private landowners to conserve natural resources on agricultural land.

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Streamline approval of conservation practices

- Require a more predictable and transparent process for NRCS to evaluate new and update current conservation practice standards within a reasonable time period.
- Direct the establishment of a dedicated, national-level panel to define and then implement an improved, ongoing process for review of new conservation practices and technologies. This should include regular review of innovations from Conservation Innovation Grant (CIG) projects, university and private sector recommendations, as well as State Technical Committee recommendations.
- Ensure that the national review process incorporates state innovations so that all producers, no matter their location, can utilize geographically appropriate conservation practices.
 - Designate funding to support the review panel's work.
- Develop data criteria for practices and technologies to be considered for review.
- Direct the review panel and headquarters program staff to provide guidance and assistance to state offices to develop tiered payment rates for more effective practices, including new practices that provide a higher level of environmental benefit.

Support Conservation Innovation Grants

- Authorize NRCS to request CIG proposals that engage and support innovative conservation financing mechanisms like pay for performance.
- Direct the establishment of a dedicated, national-level panel to define the process for review of new conservation practices and technologies. This should include regular review of innovations from CIG projects.

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Direct NRCS to promote and reward innovations at the local and district level

- Increase training for state and district level staff on the value and importance of innovative practices and partners.
- Direct the state and headquarters program staff to provide guidance and assistance to state offices to develop tiered payment rates for more effective practices, including new practices that provide a higher level of benefit.

Prioritize and reward sustainable productivity

Farmers are paid based on yield, but their balance sheets typically ignore the important services they provide for air and water quality, water conservation and wildlife habitat protection. Pressures on budgets and on our natural resources demand that federal programs move beyond the current practice of rewarding intentions to rewarding quantifiable impact. Without measurable outcomes, federal programs risk paying for efforts, not results.

Reward farmers for being good stewards of their land by quantifying the risk reduction benefits of conservation practices

- Clear and accessible data that quantifies the risk reduction benefits of conservation practices can help farmers understand how adoption of such practices can save them money, increase the resilience of their farms and lead to evidence-based policies that can provide cost-savings to the crop insurance program.
- Quantify the risk reduction benefits of conservation practices through improved data collection, research and analysis.
- Use data USDA is already collecting as part of its mandate to research the impacts of covered conservation practices on crop yields, soil health and reducing risk.

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Direct USDA's Risk Management Agency to include NCRS conservation practices in their definition of good farming practices

• The crop insurance program currently allows farmers to use best practices, also called good farming practices, which enable a farmer to receive a full indemnity payment.

However, farmers who utilize new technologies or implement NRCS conservation practices can be penalized under this standard. Good farming practices should therefore include, by definition, any practice that is included as an approved NRCS conservation practice.



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Eliminate existing Conservation Reserve Program (CRP) and Conservation Reserve Enhancement Program (CREP) limitations that prevent additional on-farm environmental benefits

- Increase the acreage cap for CRP and acres targeted to CREP and continuous enrollment to 2008 farm bill level: 32 million acres.
- Expand the impact of CRP by allowing farmers to enroll and implement practices in ditches and streams.
- Encourage USDA to support enhancement practices such as saturated buffers and bioreactors on land enrolled in CRP.

Accelerate the scope of progress by accelerating environmental markets

- Expand the scope of authority and increase funding for USDA's Office of Environmental Markets to stimulate new market opportunities for farmers and ranchers.
- Authorize the creation of an Environmental Markets Catalyst Fund that would authorize USDA to purchase credits in emerging environmental markets to stimulate demand and demonstrate the viability of market-based approaches.