



U.S. Senator Debbie Stabenow, Chairwoman

## **America's Most Significant Conservation Legislation in Years**

### *The Agricultural Act of 2014*

The Agricultural Act of 2014 represents the most significant investment in land, water and wildlife conservation in years. The bill helps farmers and ranchers conserve vital natural resources such as healthy soil, clean water, and wildlife habitat. The 2014 Farm Bill continues important conservation investments while streamlining and improving programs to make them more effective and reducing overall spending. The most significant changes involve the Conservation Reserve Program, conservation easements and regional partnerships for conservation. The legislation also achieves savings in the Environmental Quality Incentives Program as well as savings in the Conservation Stewardship Program.

The bill includes an historic agreement between farm and environmental groups to require farmers to engage in basic conservation practices—referred to as “conservation compliance”—in order to receive crop insurance support. Conservation compliance has long been a requirement for receiving direct payment subsidies. The new Farm Bill ends those subsidies, which pay out every year whether they are needed or not, and instead strengthens crop insurance, which farmers pay for each year and then get support only when disaster strikes or prices drop. That reform made linking conservation compliance to crop insurance critical.

The Agricultural Act of 2014 also creates a multi-state sodsaver provision that disincentivizes farmers and ranchers from putting critical grasslands into agricultural production.

### **Reform Overview**

Overall the Farm Bill's Conservation Title saves \$6 billion in mandatory spending by streamlining programs and reducing program duplication. The bill consolidates 23 programs into 13 while still maintaining, and in some cases strengthening, the tools needed to sufficiently conserve land and water resources. These reforms were achieved by placing emphasis on improvements that enhance program effectiveness such as combining four programs to create a new Regional Conservation Partnerships Program and consolidating the various easements programs into one consolidated initiative.

While the Farm Bill reduces the number of programs, it preserves the ability to deliver the core conservation purposes and objectives of all existing programs.

### **Regional Conservation Partnerships Program (RCPP)**

Current law authorizes four programs that are designed to work with farmers, ranchers and partner organizations to achieve conservation objectives: Agricultural Water Enhancement Program; Chesapeake Bay Watershed Program; Cooperative Conservation Partnership Initiative; and Great Lakes Basin Program for Soil Erosion and Sediment Control. This new approach to conservation has been called “the future of conservation” by former NRCS Chief Dave White, and will leverage a significant amount of taxpayer dollars while placing emphasis on locally led conservation. The Farm Bill:

- Establishes a new partnership program which consolidates these four programs into one that will support projects that improve soil quality, water quality and quantity, or wildlife habitat in a specific area or region.
- Increases transparency and accountability by selecting projects through a competitive, merit-based process and leveraging partner resources to achieve project goals.
- Institutes a Critical Conservation Area component through which the Agriculture Secretary shall designate areas with particularly significant water quality and quantity issues and natural resource regulatory pressures.

### **Agricultural Conservation Easement Program (ACEP)**

The Farm Bill streamlines three conservation easement authorities into a single program, the Agricultural Conservation Easement Program. The overall program contains two parts: Agricultural Land Easements and Wetland Reserve Easements.

- Agricultural Land Easements protect agricultural land from development and keep them devoted to agricultural uses, including keeping grazing lands and important grasslands in grazing and related uses.
- Wetland Reserve Easements restore, protect, and enhance wetlands, which are important for water quality, quantity and wildlife habitat in many areas.
- Provides sufficient funding and authority through 10-year baseline for all types of easements.

### **Conservation Reserve Program (CRP)**

The Conservation Reserve Program (CRP) helps conserve soil, water and wildlife resources by placing highly erodible and environmentally sensitive land in conserving uses through voluntary contracts with farmers, ranchers and landowners. The Farm Bill provides for a “step down” of the acreage cap over the five-year life of this legislation:

- Fiscal year 2014, no more than 27.5 million acres
- Fiscal year 2015, no more than 26 million acres
- Fiscal year 2016, no more than 25 million acres
- Fiscal year 2017, no more than 24 million acres
- Fiscal year 2018, no more than 24 million acres.

The Farm Bill also allows for a new option for the enrollment of up to 2 million acres of grasslands in the CRP. This gives farmers and ranchers another tool to protect grassland from conversion.

### **Environmental Quality Incentives Program (EQIP)**

The 2014 Farm Bill continues the Environmental Quality Incentives Program (EQIP), providing farmers and ranchers with important cost-share assistance on working lands for conservation activities that help farmers meet or avoid the need for natural resource regulation.

### **Conservation Stewardship Program (CSP)**

The 2014 Farm Bill continues the Conservation Stewardship Program (CSP) which encourages higher levels of conservation and the adoption of new and emerging conservation technologies on farms, ranches, and forests. The Farm Bill made changes to the program to ease use and implementation.

### **Conservation Compliance**

The conservation compliance provision included in the Farm Bill reflects the growing role crop insurance plays in helping America's farmers manage risk. By requiring best management practices known as conservation compliance, the Farm Bill helps ensure a minimum level of stewardship and brings added support to the federal crop insurance program.

The expanded conservation compliance provision links existing conservation requirements for highly erodible land and wetlands (known as Sodbuster and Swampbuster respectively) to the federal premium subsidy for crop insurance. These standards are the same that producers are already required to meet to participate in commodity and conservation programs. The Farm Bill also includes increased technical assistance for those producers coming under conservation compliance for the first time.

In general, producers who are found out of compliance will have at least until the following reinsurance year after the date of final determination (including all appeals) before becoming ineligible for the federal crop insurance premium subsidy. In no case will a producer lose their premium assistance or an insurance indemnity retroactively. FSA will make conservation compliance determinations for crop insurance participants based on NRCS technical determinations of highly erodible land and wetland compliance.