Get the Facts – H.R. 2 Eliminates Nation's Largest Conservation Program

The draft farm bill presented by House Agriculture Committee Chairman Mike Conaway (R-TX) eliminates the Conservation Stewardship Program (CSP), the nation's largest conservation program and the only farm bill conservation program focused on advanced conservation systems to foster a more sustainable agriculture.

In an attempt to make this elimination of CSP appear palatable to the farmers and ranchers who depend on this program, the Chairman has attempted to frame the decimation as simply folding CSP into the Environmental Quality Incentives program (EQIP). As illustrated in the chart and facts below, this claim could not possibly be further from the truth, and there is no factual evidence to back up the argument that "stewardship contracts" as proposed in the House bill retains the core components of the nation's largest working lands program. Instead, the House's working lands proposal abandons farmers and ranchers who are our leaders in their conservation efforts, ultimately abandoning the protection of our natural resources and rural communities.

"CSP Best Features"	Current Law	Conaway Farm Bill
Comprehensive Conservation Approach	YES	NO
Whole Farm Conservation Approach	YES	NO
Reach Good Environmental Stewardship Threshold to be Eligible	YES	NO
Designate at Least 5 Priority Resource Concerns	YES	JUST 3
Payments for Active Management of Ongoing Conservation	YES	NO
Payments for Advanced Conservation Enhancements	YES	NO
Payments Based on Conservation Benefits	YES	NO
Supplemental Payments For Ag Diversification -		
Resource Conserving Crop Rotation	YES	NO
CAFO Infrastructure	INELIGIBLE	FULLY ELIGIBLE
		NO
Five Year Renewable Contracts with Continual Improvement	YES	Single 5-10 year contract
\$40,000/year Payment Limitation	YES	Unnecessarily increased to \$50,000
		Anywhere from \$ 0 to \$6.6 billion
Five Year Funding (2019-2023)	\$8.8 Billion	= Cut of between 25%-100%
		Anywhere from \$0 to \$14.1 billion
Ten Year Funding (2019-2028)	\$17.7 Billion	= Cut of between 21% - 100%

• Claim: "The bill prioritizes working lands conservation."

Fact: The bill proposes to cut working lands programs by nearly \$5 billion*. CSP and EQIP are the two largest working lands conservation programs. The bill eliminates CSP, "folds it into EQIP," and proposes to gradually increase funding for EQIP from \$2 million to \$3 million by 2023. As illustrated in score from the Congressional Budget Office (CBO), this modification would cut funding working lands by nearly \$5 billion (\$4.925 to be exact) over 10 years. It is hard to see how a bill that cuts working lands conservation by such a massive amount is in any way shape or form prioritizing working land. By way of contrast, the 2014 Farm Bill cut the entire conservation title by \$4 billion over 10 years.

Fact: More specifically, the bill could cut funding for comprehensive working lands conservation by as much as 100 percent. Within the newly "expanded EQIP" which contains CSP's "replacement" – stewardship contracts - it places a cap, rather than a minimum, on the

amount of total funding that must go to stewardship contracts within EQIP. Thus on top of significantly limiting the total funding that is available for CSP and EQIP within the combined program, by instructing USDA to utilize up to "not more than 50 percent" of funds within EQIP to stewardship contracts, the bill would essentially give USDA the option and authority to dedicate no funding at all to the comprehensive conservation assistance that CSP currently supports.

• Claim: "The bill retains the best features of CSP by folding them into EQIP."

Fact: The Chairman's mark contains <u>none</u> of the core features of CSP. Whereas the current version of CSP takes a comprehensive approach to conservation by considering how participants address and build upon natural resource concerns across their entire operation, the "stewardship contracts" proposal abandons this principle entirely. The "stewardship contracts" component eliminates nearly all the core elements of CSP - the comprehensive conservation approach, the inclusion of the entire operation in stewardship efforts, and the eligibility requirement to reach good environmental stewardship level before enrolling.

Fact: The proposal entirely eliminates the advanced conservation opportunities that currently are offered by CSP. CSP offers supplemental payments for resource-conserving crop rotations and a consideration of environmental benefits when determining contract payments, but these features are nonexistent in the "stewardship contracts proposal." The House bill also eliminates the key opportunities to incentive and properly reward farmers for their advanced conservation efforts and their work to actively manage and improve conservation on their farm. It takes a further step backward by allowing funding to go to the construction of manure lagoons and sprayfields for concentrated animal feeding operations (CAFOs), activities that are explicitly prohibited for funding within CSP right now. This could siphon off much of the funding for stewardship contracts to activities with low or even negative environmental outcomes.

 Claim: "EQIP is our flagship conservation program and a more efficient use of funds."

Fact: The role of CSP is to provide incentives to advanced conservation stewardship systems. The role of EQIP is to share the cost on a one-time basis of specific conservation practices. It is therefore also hard to fathom the claim that EQIP is the nation's flagship incentive-based program, which is actually a more accurate description of CSP than EQIP. While EQIP does provide funding for individual practices to help participants address a single issue, it's CSP that allows them to take that conservation to the next level and comprehensively address natural resources on their land.

• Claim: "The bill provides added flexibility for stewardship contract participants."

Fact: The Chairman's proposal abandons CSP's emphasis on working with farmers to address multiple resource concerns across their entire operation. Further abandoning the comprehensive conservation approach to conservation, the "stewardship contracts" proposal limits the number of priority resource concerns (such as water quality, soil health, air quality, animal health, wildlife habitat, etc.) that a state can select for a given region. By then saying it is permissible for a stewardship contract to address just one resource concern, the proposal provides the opposite of flexibility for participants – it so significantly limits their options as well as their opportunity to comprehensively address resource concerns on their operation.

Fact: Billed as added flexibility, the Chairman's proposal actually abandons farmers and ranchers who have already achieved a certain level of stewardship on their operation and are ready to take their conservation to the next level. The Chairman's approach eliminates all mention of stewardship thresholds, as well as any requirement that a participant must be addressing key natural resource concerns on their operation before enrolling, thus lowering the conservation benefits of the program and scaling back the purpose of CSP in supporting advanced conservation systems.

Fact: Under both CSP and EQIP currently, farmers may re-apply for new contracts in the future. But under current CSP, farmers are automatically re-enrolled if they fulfill their existing contract and agree to further conservation improvements. This additional flexibility, and commitment to continual improvement, is actually removed by the Chairman's draft, making the stewardship contract portion of the expanded EQIP less flexible and less farmer-friendly.

*The draft farm bill presented by Chairman Conaway would reduce working lands conservation program spending by \$7 billion over the next decade, but roughly \$2 billion would continue to be made on old CSP contracts that have not expired, yielding a net reduction of \$5 billion. Once those old contracts lapse, there would be no more CSP spending and the total reduction to working lands conservation funding would escalate.