



**Statement for the Record
Sara Hopper, Agricultural Policy Director
Environmental Defense Fund**

**Before the
United States House of Representatives
Committee on Agriculture
Subcommittee on Conservation, Energy, and Forestry
April 26, 2012**

Concerning

Formulation of the 2012 Farm Bill: Conservation Programs

Chairman Thompson, Ranking Member Holden, and Members of the Subcommittee, thank you for the opportunity to testify concerning conservation programs and the 2012 farm bill. My name is Sara Hopper, and I serve as Agricultural Policy Director for Environmental Defense Fund (EDF), a nonprofit organization dedicated to using science and economics to find practical and lasting ways to meet our most serious conservation challenges. On behalf of over 700,000 members, EDF forges partnerships and works to harness the power of market incentives to advance environmental solutions. We believe that economic prosperity and environmental stewardship can go hand in hand, and nowhere is that truer than in the management of America's working farms, ranches and private forestlands.

Over the past two centuries, agriculture has transformed the American landscape. Farmers, ranchers, and private forest landowners have contributed significantly to economic and social progress in this country, but this progress has not come without environmental costs. In the past, periods of high commodity prices have spurred the conversion of marginal, environmentally sensitive lands to crop production. Congress recognized that the resulting increases in soil erosion and degradation of other important natural resources threatened not only environmental quality, but also farm profitability and productivity over the long term, and it responded with federal policies that promoted conservation.

In the years following the Dust Bowl, for example, USDA's newly established Soil Conservation Service (now the Natural Resources Conservation Service) and new federal policies assisted farmers in improving the management of their lands to reduce soil erosion. When high commodity prices in the 1970s caused production to expand onto marginal lands again, the result was another dramatic increase in soil erosion. Policymakers responded by creating the Conservation Reserve Program and by designing other policies in the 1985 farm bill to reduce erosion and the loss of wetlands.

Each farm bill since 1985 has reaffirmed the commitment to conservation that Congress made in 1985. Funding for conservation incentives has increased significantly over the years, helping farmers, ranchers and private forest landowners to improve stewardship as they have increased productivity.

But while significant progress has been made, environmental problems associated with agricultural production persist, and in some cases they are getting worse. Soil erosion is still excessive in many places, and nitrogen and phosphorus lost from crop and livestock operations contribute significantly to water quality impairments in too many of the nation's rivers, lakes and bays.

Commodity prices have increased again, intensifying pressure on the American landscape. And with the global population projected to increase from approximately 7 billion today to 9 billion by 2050, the need to increase production to meet expected future global demand means that it is more important than ever not only to maintain, but to strengthen, our commitment to conservation.

As Congress takes up the 2012 farm bill, however, it faces the significant challenge of how to strengthen conservation programs even as it cuts overall farm bill spending to help reduce the federal budget deficit. The proposal that leaders of the House and Senate agriculture committees developed last fall for the Joint Select Committee on Deficit Reduction (the Supercommittee) would have cut \$23 billion over 10 years from farm bill spending, including roughly \$6 billion from conservation programs.

In view of increasing demands on our natural resources, \$6 billion in cuts to federal conservation spending will be painful. Yet leaders of the House and Senate agriculture committees worked in a bipartisan way last fall to minimize the impact of that level of cuts by also including in the proposal to the Supercommittee policy improvements designed to increase the effectiveness of conservation programs.

While the failure of the Supercommittee to reach a larger agreement meant that last fall's proposal did not advance, we believe the work done by Members and staff of this committee on the conservation title of that proposal demonstrated a continuing, strong commitment to conservation – even in the face of significant budget pressures. As you build upon that work in developing the conservation title of the 2012 farm bill, we urge you to maintain that commitment. We believe that the three most important ways in which you can do that are to:

- Ensure that conservation spending cuts do not exceed \$6 billion over 10 years;
- Ensure that if the Conservation Reserve Program (CRP) is to be smaller, it and other conservation programs will be effective in both maintaining and building upon the conservation benefits CRP has delivered to date; and
- Promote partnerships that leverage resources from nonfederal sources and help focus conservation efforts to address the most significant conservation challenges associated with agricultural production.

Ensure that conservation spending cuts do not exceed \$6 billion over 10 years

The \$23 billion cut in overall farm bill spending proposed last fall – and reaffirmed in the farm bill draft that the Senate Agriculture Committee is moving forward this week – represents a significant contribution to deficit reduction. As you know, however, the House Budget Committee and others have proposed deeper cuts to total farm bill spending. While we recognize the challenge that Members of this committee will face in moving a bill through the House that cuts no more than \$23 billion total, we believe that whatever happens, it is critical that Congress not cut more than \$6 billion from conservation programs over the next 10 years.

Ensure the effectiveness of a smaller CRP

Under the 2008 farm bill, CRP was capped at 32 million acres, and current enrollment stands at almost 30 million acres. Both last fall’s proposal to the Supercommittee and the draft conservation title released Friday by the Senate Agriculture Committee reduce the size of CRP in order to generate savings. The Senate draft would step enrollment down to a maximum of 25 million acres by 2017.

Ensuring that the return of roughly 4 million acres of conservation land to production does not increase soil erosion, worsen existing water quality problems (particularly in the Upper Mississippi River Basin) or harm wildlife populations will require a careful effort by Congress and the Administration to ensure that the right incentives are available to keep the most environmentally sensitive lands enrolled in CRP.

Just as importantly, we need a focused effort over the next few years to make sure that when sensitive land is taken – or kept – out of production and enrolled in CRP or another conservation program, it is enrolled in the right practice to achieve the desired conservation objectives. For example, if the most pressing conservation challenge in a particular watershed is the loss of nitrogen from farm fields to ground or surface water, we need a strategic effort to identify what types of filtering practices – including riparian buffers and wetlands specifically designed to remove nitrogen from water flowing from agricultural operations – need to go in what places in the watershed to solve the problem. This kind of targeted approach will also ensure that we can achieve important conservation objectives while minimizing the total amount of land removed from production.

The 2012 farm bill should also include policies that will help make it more economically attractive for owners and operators of land that is leaving CRP to manage that land in ways that are consistent with maintaining the existing cover (grasses or trees). The other conservation programs authorized through the farm bill can and should play an important role in accomplishing this, for example by offering incentives for owners and operators to transition land under an expiring CRP contract to a grazing operation.

Promote partnerships

The 2008 farm bill included two new initiatives – the Cooperative Conservation Partnership Initiative (CCPI) and Agricultural Water Enhancement Program (AWEP) – designed to encourage partner-led projects that help producers address specific conservation priorities in particular geographies. These initiatives share three important features:

1. They leverage the resources of partners (including state and local government entities, producer groups and conservation organizations), bringing additional funding to the table to help producers in a project area to solve a particular resource challenge facing them. This promotes coordination of effort at the national, state and local level and helps improve the effectiveness of government spending to address state and local conservation priorities.
2. The initiatives encourage and rely on local leadership in focusing resources on achieving particular conservation outcomes in particular areas. Achieving such outcomes requires getting producers in the right places in a watershed or other specific geographic area implementing the right practices in sufficient numbers to actually make a difference.
3. CCPI and AWEP require partners to play a role in the monitoring and evaluation of project outcomes and to report on project results. The monitoring and evaluation provisions of these initiatives are important to advancing existing efforts by USDA and its partners to quantify the conservation benefits delivered by conservation practices and approaches. Quantifying the benefits from practices supported through federal conservation programs is critical to ensuring that taxpayers are getting their money's worth from these programs.

One of the most important things Congress can do in the conservation title of the 2012 farm bill is to build upon these two initiatives by creating a larger, stronger partnership program. Some specific improvements we believe you should consider making in this new partnership program are:

- Strengthen monitoring, evaluation, and reporting of the conservation outcomes achieved through partner-led projects. Ensuring that state and local partners help track and report on the outcomes achieved through the projects in which they participate is critical to ensuring federal dollars are well spent, so any new partnership program included in the 2012 farm bill should include strong monitoring, evaluation and reporting provisions. We suggest you consider providing more guidance in the farm bill regarding

what kinds of monitoring and evaluation activities partners should carry out. Monitoring and evaluation should go beyond determining what practices were implemented on the ground. Monitoring and evaluation plans should include an assessment of the effectiveness of practices in affecting resource conditions and/or some link to ongoing monitoring of actual conditions, so that the conservation benefits delivered through partner-led projects can be quantified. Policymakers and stakeholders do need to recognize that there may be a delay between the time projects are implemented and when results can be seen, but we also need a better understanding of what we are gaining or can expect to gain in terms of real environmental progress if we are to maintain support for voluntary conservation programs over the long term.

- Provide greater flexibility for NRCS to obligate funding for partner-led projects beyond a single fiscal year. The current inability of NRCS to commit funding up front to multi-year, partner-led projects has made it more difficult for partners to enlist producer participation. Partners cannot count on each year's funding for producer contracts until it is obligated, so they cannot help the agency sign up producers continuously. In addition, each year the agency must decide how much of the funding allocated for the initiatives should be used to fully fund projects approved in previous years and how much should be used to approve new projects. Fixing this problem would provide greater flexibility to partners and more predictability for farmers while making implementation of partnership programs easier for the agency.
- Consider whether the agency needs additional authority to use group contracts. Because many projects approved through a partnership program may be focused on helping producers address a particular local, state or regional priority, these projects may require many producers in the project area to implement a single practice or a narrow set of practices on their land. This means many small individual contracts and a significant workload for NRCS field staff in the project area. In other cases, a project may require a single structure or set of structures that will benefit multiple producers, but which will be challenging to implement via individual contracts with each of them. While we support language continuing to ensure funding flows to producers, greater flexibility on the issue of whether that happens through individual producer contracts or some other mechanism is something that should be considered.
- Maintain the authority and flexibility NRCS currently has to develop and launch additional landscape-scale initiatives. Over the past few years, NRCS has launched several conservation initiatives that do not rely on partners but use farm bill conservation programs – particularly the Environmental Quality Incentives Program (EQIP) and Wildlife Habitat Incentives Program (WHIP) – to help producers successfully address resource challenges of regional and national importance, thereby reducing the need for future environmental regulations. The Sage Grouse Initiative is one of these initiatives. It represents a focused effort to improve populations of the bird, which is a candidate for listing under the Endangered Species Act, so that listing (and the regulatory requirements that come with it) will be unnecessary. NRCS engaged scientists to help design the initiative and ensure that EQIP and WHIP dollars were

targeted to the places within the range of the bird where the right practices and activities could have the most significant positive impact. If this initiative and others like it are successful, the agency will have succeeded in helping producers solve wildlife conservation challenges in a way that also reduces conflict and uncertainty – a win-win. We believe maintaining flexibility for the agency to respond to similar circumstances in the future is important.

The policies included in the conservation title of the 2012 farm bill will determine to a significant extent whether conservation programs can be effective in helping the nation meet current and future conservation challenges, even as funding for these programs is reduced. EDF looks forward to working with Members and staff of this committee in the weeks and months to come to ensure that the 2012 farm bill includes the strongest possible conservation title. Thank you again for the opportunity to testify.

Committee on Agriculture
U.S. House of Representatives
Information Required From Nongovernmental Witnesses

House rules require nongovernmental witnesses to provide their resume or biographical sketch prior to testifying. If you do not have a resume or biographical sketch available, please complete this form.

1. Name: Sara Hopper

2. Organization you represent: Environmental Defense Fund (EDF)

3. Please list any occupational, employment, or work-related experience you have which add to your qualification to provide testimony before the Committee: I served on the staff of the Senate Committee on Agriculture, Nutrition and Forestry during the development of the 2002 farm bill (2001-2003). Since then I've been at EDF, where I have focused on agricultural conservation issues. The 2012 farm bill will be the 3rd farm bill in which I have been engaged in one capacity or another.

4. Please list any special training, education, or professional experience you have which add to your qualifications to provide testimony before the Committee: I graduated from the University of Virginia School of Law in May 1998. From 1998-2001 I was an associate with Dorsey & Whitney LLP in Minneapolis, Minnesota, where I grew up.

5. If you are appearing on behalf of an organization, please list the capacity in which you are representing that organization, including any offices or elected positions you hold: I serve as Agricultural Policy Director for EDF.

PLEASE ATTACH THIS FORM OR YOUR BIOGRAPHY TO EACH COPY OF
TESTIMONY.

**Committee on Agriculture
U.S. House of Representatives
Required Witness Disclosure Form**

House Rules* require nongovernmental witnesses to disclose the amount and source of Federal grants received since October 1, 2008.

Name: Sara Hopper
Organization you represent (if any): Environmental Defense Fund

- 1. Please list any federal grants or contracts (including subgrants and subcontracts) you have received since October 1, 2008, as well as the source and the amount of each grant or contract. House Rules do NOT require disclosure of federal payments to individuals, such as Social Security or Medicare benefits, farm program payments, or assistance to agricultural producers:**

Source: _____ **Amount:** _____

Source: _____ **Amount:** _____

- 2. If you are appearing on behalf of an organization, please list any federal grants or contracts (including subgrants and subcontracts) the organization has received since October 1, 2008, as well as the source and the amount of each grant or contract:**

Source: National Fish and Wildlife Foundation / Iowa Soybean Association **Amount:** \$651,631.00

Source: National Fish and Wildlife Foundation **Amount:** \$790,000.00

Source: National Fish and Wildlife Foundation **Amount:** \$377,298.00

Source: National Fish and Wildlife Foundation **Amount:** \$174,000.00

Source: National Fish and Wildlife Foundation **Amount:** \$150,000.00

Source: National Fish and Wildlife Foundation **Amount:** \$160,290.00

Source: National Fish and Wildlife Foundation **Amount:** \$69,615.00

Source: <u>National Fish and Wildlife Foundation</u>	Amount: <u>\$699,891.00</u>
Source: <u>National Fish and Wildlife Foundation</u>	Amount: <u>\$218,575.00</u>
Source: <u>National Fish and Wildlife Foundation</u>	Amount: <u>\$291,800.00</u>
Source: <u>National Fish and Wildlife Foundation</u>	Amount: <u>\$100,000.00</u>
Source: <u>Natural Resources Conservation Service (USDA)</u>	Amount: <u>\$638,793.00</u>
Source: <u>Natural Resources Conservation Service (USDA)</u>	Amount: <u>\$98,871.00</u>
Source: <u>Natural Resources Conservation Service (USDA)</u>	Amount: <u>\$80,000.00</u>
Source: <u>Natural Resources Conservation Service (USDA)</u>	Amount: <u>\$25,000.00</u>
Source: <u>Natural Resources Conservation Service (USDA)</u>	Amount: <u>\$1,089,343.00</u>
Source: <u>Natural Resources Conservation Service (USDA)</u>	Amount: <u>\$61,965.54</u>
Source: <u>Natural Resources Conservation Service (USDA)</u>	Amount: <u>\$199,500.00</u>
Source: <u>Natural Resources Conservation Service (USDA)</u>	Amount: <u>\$481,665.00</u>
Source: <u>Natural Resources Conservation Service (USDA)</u>	Amount: <u>\$66,500.00</u>
Source: <u>U.S. Fish and Wildlife</u>	Amount: <u>\$196,472.00</u>
Source: <u>U.S. Fish and Wildlife</u>	Amount: <u>\$7,000.00</u>
Source: <u>Environmental Protection Agency</u>	Amount: <u>\$400,000.00</u>
Source: <u>Environmental Protection Agency</u>	Amount: <u>\$699,839.00</u>

Source: <u>Environmental Protection Agency</u>	Amount: <u>\$30,000.00</u>
Source: <u>USAID/University Research Corporation International</u>	Amount: <u>\$21,500.00</u>
Source: <u>National Park Service - Big Bend National Park</u>	Amount: <u>\$3,700.00</u>
Source: <u>Department of Energy</u>	Amount: <u>\$269,209.00</u>
Source: <u>U.S. Endowment for Forestry and Communities Inc.</u>	Amount: <u>\$180,841.00</u>
Source: <u>University of Texas at Austin/DOE</u>	Amount: <u>\$222,000.00</u>
Source: <u>Resources For The Future/DOE</u>	Amount: <u>\$60,000.00</u>
Source: <u>University of Texas at Austin/DOE</u>	Amount: <u>\$20,000.00</u>

Please check here if this form is NOT applicable to you: _____

Signature: 

* Rule XI, clause 2(g)(4) of the U.S. House of Representatives provides: *Each committee shall, to the greatest extent practicable, require witnesses who appear before it to submit in advance written statements of proposed testimony and to limit their initial presentations to the committee to brief summaries thereof. In the case of a witness appearing in a nongovernmental capacity, a written statement of proposed testimony shall include a curriculum vitae and a disclosure of the amount and source (by agency and program) of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by the witness or by any entity represented by the witness.*

PLEASE ATTACH DISCLOSURE FORM TO EACH COPY OF TESTIMONY.