# Testimony for Barth Crouch, Conservation Policy Director For Playa Lakes Joint Venture Before the Senate Agriculture, Nutrition, and Forestry Committee Field Hearing On the Conservation Title for the 2012 Farm Bill, Wichita, Kansas, August 25, 2011

Chairwoman Stabenow, Ranking Member Roberts, and Members of the Committee, on behalf of Playa Lakes Joint Venture (PLJV) and the partnership that we represent, I thank you for the chance to provide input on the Conservation Title of the next Farm Bill.

Playa Lakes Joint Venture is a partnership of 17 State and Federal Natural Resource agencies, nongovernmental conservation organizations, and energy providers that works in parts of six states of the Southern High Plains.

Our primary mission is the restoration and conservation of playas, the ecologically important seasonal wetlands of the area that provide the major source of recharge for the Ogallala Aquifer, the economic engine for the outstanding levels of production agriculture in the region.

We are also very involved in the conservation of birds, both the migratory waterfowl, shorebirds, and wading birds that use the playas on their travels in migration and the grassland species that depend upon the mixed grass and short grass prairies of our area, including the imperiled Lesser Prairie-Chicken (LEPC). To accomplish our mission, we must and do work closely with the primary stewards of the land in our states, the farmers, ranchers, and landowners who own and control over ninety percent of the PLJV area

Our nation's agricultural producers today face unprecedented challenges in producing the food and fiber needed by this country and for export to our growing world population. Their challenge is to produce at the highest levels possible while still being the very best possible stewards of our nation's natural resources. To that end they, and we, need the largest possible array of conservation practices and funding provided in the next Farm Bill to support those practices that can be provided in this time of deficits and budget declines.

Additionally, to accomplish that, we in the conservation field need to work hand in hand with USDA and agricultural producers to target implementation of those practices, simplify and streamline them administratively, and continually evaluate the outcomes produced by conservation practices carried out under the auspices of the 2012 Farm Bill.

## The Top Priorities for the 2012 Farm Bill

The Conservation, Energy and Forestry Title programs provide an important legacy of private lands conservation and need to be focused in ways that lead landowners and producers toward providing ecosystem services and benefits while retaining their ability to be profitable. Investments in conservation should provide the best results possible by targeting funding and program acres to key resource concerns, monitoring actual outcomes, and adaptively managing what, where, and how conservation practices are utilized. Programs should be modified to improve the ability to measure off-farm ecological benefits of on-farm practices while ensuring farmers have the proper incentives in place to maximize those benefits. Our recommendations on the various conservation programs follow.

**Conservation Reserve Program (CRP)** – We urge you to reauthorize USDA's most successful conservation program at current levels to meet PLJV priority conservation needs and strong landowner support of this vital program. The Conservation Reserve Enhancement Program (CREP) and Continuous CRP authority should also be reauthorized.

With respect to our primary mission of conserving playas, CRP, through the general signup and the Continuous CRP practice CP23a, is the major conservation program that is accomplishing that goal. To show the need for targeting for playas through a Conservation Priority Area (CPA) under general signup criteria, let's use as an example a four county area in SW KS, which includes Finney, Gray, Meade, and Seward counties. In 2008 without any spatial targeting mechanism, we found there were 295 playas encompassing approx. 4,400 enrolled wetland acres out of a total CRP acreage of approx. 233,000 acres. In that same area, if we targeted a General Signup CRP with a Playa CPA offering extra Environmental Index Benefits (EBI) points and achieved a target of forty percent of eligible fields with playas contained in the acreage offered, for a total enrollment of approx. 289,000 acres, there would be 13,484 playas enrolled encompassing approx. 13,500 acres of wetland. Targeting retains the voluntary nature of the program while achieving a higher enrollment percentage of the desired natural resource concern

CRP in the PLJV states, through both general signup contracts and State Acres for Wildlife (SAFE) Continuous CRP practices in KS, OK, NM, TX, and CO, has also provided critical habitat for many struggling grassland wildlife species and has led to an expansion of the occupied range of the Lesser Prairie-Chicken, which is currently being considered for protection under the Endangered Species Act (ESA).

In both of the recent CRP General Signups 40 and 41, PLJV staff and partners have worked with USDA's FSA and NRCS to target the enrollment of CRP into areas most beneficial to Lesser Prairie-Chickens by the use of CPA's that allowed the program to stay voluntary but gave more EBI points to the acres offered that were included in the CPA.

In an example shown to FSA personnel at the National, State, and Local Office Level, it was shown that in an area of SW KS having approx. 680,000 expiring acres enrolled in CRP in 2008, there was a conservatively estimated population of 4,000 LEPC. If we re-enrolled approx. 327,000 acres, which was only fifty percent of the available cropland in the targeted area, by targeting for LEPC, the population of LEPC was projected to increase to slightly more than 4,000. This shows that by targeting we will be able to maintain LEPC populations with less overall acres in CRP. We would ask that Congress would direct the Secretary to consider the effects of targeting CRP enrollments for other priority natural resource concerns in the way demonstrated in signup 41 for LEPC.

However to increase the populations to where they are no longer under consideration for listing under the ESA, we will need to target almost as many total acres as are now found in their current range. Coupling that large acreage needed for the LEPC with the needs of other species, need for Continuous CRP and Conservation Reserve Enhancement Programs (CREP), and other natural resource concerns across the country is why we are asking to continue the CRP cap at 32 million acres.

Since October 2009, CRP has been capped at 32 million acres, allowing the possible reconversion to cropland of a total of 4.6 million acres of CRP by 2013. An additional maximum of 6.5 million acres of CRP contracts are to expire by 2014. This could allow for the enrollment of new, more environmentally beneficial CRP acres to replace some of the acres that are and will be no longer under contract.

The CRP in the PLJV Region also contributes important income to rural communities that are struggling in the current economic downturn. CRP lands stimulate fish and wildlife production, which in turn, encourage outdoor recreation and associated economic business development in many rural communities while providing landowners a steady income from their poorest land.

## Specific CRP Recommendations (in priority order):

- 1. Maintain acreage cap at 32 million acres.
- 2. Establish a new, geographically targeted one-million-acre program to benefit prairie grouse, by using CRP to achieve the habitat goals of the Grassland Plan for North American Prairie Grouse. As these contracts expire, give them the highest priority for enrollment in Grassland Reserve Program rental

contracts or long-term easements. To begin this process, PLJV has asked FSA to set aside 500,000 targeted SAFE acres for the Lesser Prairie-Chicken since the summer of 2009.

- 3. Change the general signup EBI to allow extra points for wetlands, including playas, contained within the field offered.
- 4. Maintain cropping eligibility dates for CRP enrollment using crop years 2002-2007. This prevents the conversion of native plant communities to crop production for short periods, in order to make newly converted tracts eligible for CRP enrollment.
- 5. Direct USDA to continue to review CRP payments to ensure that they are competitive with potential crop income on acres that have a high EBI, offer imperiled species habitat, or are otherwise an ecological priority for enrollment.
- 6. Require the establishment of regionally appropriate plant materials lists for CRP plantings, as well as the creation of state-level lists of certain plants disallowed in CRP mixes due to their invasive or overly aggressive nature. These lists should be established in cooperation with FWS, state wildlife agencies, and STC Habitat Technical Teams; they should not be restricted to state noxious weed lists.
- 7. Improve mid-contract management for wildlife and other benefits. Increase available technical assistance, including internal USDA resources and external contract consultants, in order to assist landowners in implementing appropriate mid-contract management practices. Provide 75 percent cost-share for mid-contract prescribed burning, (exceeds standard 50% cost-share rate due to the overriding and geographically broad importance of prescribed fire in CRP); and allow ecologically beneficial, short-term grazing for mid-contract management without financial penalty.
- 8. Maintain current managed and emergency haying and grazing provisions that prevent forage removal practices that are detrimental to wildlife.

**Acreage Caps** – For the conservation reserve and wetlands reserve programs (CRP and WRP), county-based limits to participation have been put in place by the farm bill to avoid adverse local economic impacts from land retirement. The secretary cannot enroll more than 25 percent of cropland in any county in CRP or WRP. Additionally, not more than 10 percent of the cropland in a county is eligible to enroll in a WRP easement.

## Specific Acreage Cap Recommendation:

Remove WRP from the 25 percent combined CRP/WRP county acreage cap, leaving CRP with a 25 percent cap and WRP with a 10 percent cap unless either cap is waived by request from county authorities. We should also consider allowing county caps to be raised if the resource concern that is adding the extra acres is spatially targeted.

**Wetlands Reserve Program (WRP)** – America is in jeopardy of losing the Wetlands Reserve Program after FY2012. It is one of the 37 current Farm Bill programs without a continuing baseline. Other sources of funding must be identified for the program to continue.

The WRP is used widely across the country to restore wetlands previously drained for agricultural purposes; the benefits from WRP are perhaps the broadest of any USDA conservation program. Restored wetlands revive lost habitats, help to retain water (thereby reducing downstream flooding), process nutrients and capture sediment and contaminants from upstream sources. Wetlands also provide migratory bird habitat, which in many cases have diversified local rural economies as wildlife enthusiasts visit large restoration areas. The "ecosystem services" benefits to society from WRP go far beyond the individual sites.

In the last few years, through a combined emphasis from NRCS at the national, state, and local level, and in partnership with the members of PLJV, playas have begun to be enrolled into WRP in larger numbers than ever before. These wetlands, essential to the recharge of the Ogallala Aquifer, are then permanently restored and conserved which affords much better protection for them than enrollment in CRP.

We recommend reauthorizing WRP at 2008 Farm Bill authorization levels to continue this growing trend of permanent protection of playas. The WRP should continue to be a stand-alone program because of its unique functions and restoration components.

#### Specific WRP Recommendations (ranked in priority order):

- 1. Increase the acreage and/or funding level to allow 200,000 acres to be enrolled into the program each year for the next ten years.
- 2. Return the current requirement for 7 years of ownership rule to 1 year for eligibility for enrolling in the WRP program.
- 3. Seek permanent authority for the WRP Reserved Grazing Rights program in the 2012 Farm Bill. Continue using the 3 eligibility criteria legislated in the 2008 Farm Bill ("(i) is compatible with the land subject to the easement; (ii) is consistent with the long-term wetland protection and enhancement goals for which the easement was established; and (iii) complies with a conservation plan."). The grazing use should follow the Wetland Reserve Plan of Operations, which should include guidance to avoid overgrazing.
- 4. Expand the WREP Pilot started in 2010 in Nebraska that allows acres under center-pivot irrigation to be enrolled in WRP. This program is attracting landowners in the Rainwater Basin area of NE because it allows the center-pivot to continue to be used over the non-wetland crop acres while simultaneously conserving the wetland acres in the field. It is our view that irrigators in the rest of the playa region would also be very interested in this program that allows working lands to contain functional wetlands.

**Grasslands Reserve Program (GRP)** – The GRP is another of the 37 current Farm Bill programs that is without a continuing baseline after FY2012 and so will need a funding source identified to continue. In the paragraphs that follow are outlined the reasons why this program is vital to the interests of our primary missions of conserving playas and meeting the habitat needs of birds, especially grassland endemic birds. Playas contained in native grasslands are the least altered and most functional of all playas. To continue recharging the Ogallala, meeting the food and rest needs of migrating birds, and offer recreational opportunities, these playas need nothing more than contractual assurance that they will remain in intact native grasslands.

Temperate grasslands comprise the most altered and least-protected terrestrial ecosystems on Earth, with less than two percent being protected worldwide (Hoekstra et al. 2005). About 55 percent of US grazing lands are privately owned. These private holdings include the most productive grazing lands, accounting for more than 90 percent of the forage produced in the United States. They are also highly threatened with conversion and fragmentation. From 1983 to 2007, approximately 25 million acres of grassland in the U.S. were converted to other uses, primarily cropland (GAO 2007). Additionally, significant losses of USDA Conservation Reserve Program acreage are forecasted for much of the Northern Great Plains (Fargione et al. 2009). Stephens et al. (2008) noted that conversion rates in these grassland systems exceeded that of the Amazon rainforest. One consequence of this extensive and continuous conversion is that even once abundant and widely distributed species are showing major declines. According to the State of the Birds Report (North American Bird Conservation Initiative, U.S. Committee 2009) endemic grassland birds are the fastest and most consistently declining bird assemblage in North America, with species declining from 68 to 91 percent since 1966.

The Farm Bill is the most powerful tool available to help producers keep grazing lands in production and maximize the critical benefits to clean water and habitat conservation these lands provide. Both ranchers and wildlife benefit from large blocks of un-fragmented lands and associated healthy ecosystems. Farm Bill programs like GRP are critical to keeping private ranchers in business and providing both economic and ecological benefits to society.

Kansas and Oklahoma ranchers are the sole stewards of the last of America's declining tall grass prairie and KS ranchers have demonstrated a keen interest in preserving that landscape by leading the nation in offering conservation easements on 41,998 acres. GRP is vital to protect the PLJV Region's rare and declining prairie landscapes.

## Specific GRP Recommendations (in priority order):

- 1. Remove the acreage cap on GRP and provide \$100 million annually in mandatory funding. A strong unmet landowner demand for GRP among landowners is well documented, with just over 10 percent of applications funded in 2005.
- 2. Direct the Secretary to apply 80 percent of overall program funds to permanent GRP easements. Landowner demand for permanent easements has greatly outpaced available funding, and current USDA studies indicate greater public benefits per unit cost from permanent easements.
- 3. Prioritize GRP funds for conservation of ecologically significant native grasslands that provide the highest values as working grazing lands and intact grassland habitats. GRP is a program designed to benefit exceptionally valuable and threatened habitat and resource types native grasslands. The location, extent, and quality of these habitats are not distributed uniformly across the country; it is concentrated primarily in lands lying west of the Mississippi River (with some significant grassland savannahs in Florida). Among the factors the Secretary should consider for program eligibility are tract size, relationship to larger grassland resources, and prevalence of grassland habitats in the project area's historic natural cover, demonstrated importance of lands for threatened or endangered species or species of conservation concern. Therefore GRP should be targeted where the best resources are located.
- 4. Create an enhancement component for GRP similar to the CREP and WREP to allow State and private matching and state-specific targeting of protected grasslands. A GREP program would improve targeting of funds to participating states' most important grassland resources and leverage additional funds for the program.
- 5. Continue to prioritize acres expiring from CRP for GRP enrollment. This prioritization should be subject to the current limitations; including a maximum 10 percent of total GRP allocations, meeting high ecological value standards, and other eligibility standards.

**Environmental Quality Incentives Program (EQIP)** – The EQIP program provides technical and financial assistance to farmers and ranchers who face threats to soil, water air and related natural resources. Eligible land includes cropland, rangeland, private non-industrial forestland etc. EQIP national priorities include: impaired water quality, conservation of ground and surface water, reduction of emissions, reduction of soil erosion and sedimentation, and improvement or creation of wildlife habitat for at-risk species.

EQIP is an extremely flexible program and has been used to do everything from creating ecosystem service payments to installing more efficient irrigation systems. It is the most important working lands Farm Bill conservation program with \$1.2 to \$1.4 billion dollars allocated per year. EQIP is also the major basis for several regional conservation efforts, including NRCS's Lesser Prairie-Chicken Initiative.

PLJV Region producers have consistently shown strong interest in addressing resource concerns on their land. Applications for assistance far exceed available funding. EQIP should be reauthorized and baseline funding continued. EQIP funding is the major component for the NRCS's Lesser Prairie-Chicken Initiative, which is now in its second year and is likely to continue for at least four more years. This Initiative holds the promise, through developing a Conferencing Opinion between USDA and USFWS, to allow landowners to carry out grazing operations without fear of regulation if the bird becomes listed.

PLJV and its partners have worked in cooperation to target the application of the NRCS LEPC Initiative so as to get the most habitat improvement for the LEPC while assisting the landowners that really are hosting the birds on their land to carry out conservation that will improve their bottom line as well.

#### Specific EQIP Recommendations (ranked in priority order):

- 1. Lands that are permanently protected, such as those with a permanent GRP, FRPP, or other easement, should receive priority consideration for stewardship (EQIP) funds. Lands protected from conversion by an easement are not necessarily managed to address natural resource concerns; however, protection from conversion ameliorates a primary threat to the duration of conservation practices.
- 2. Create greater incentives for landowner participation in key areas. Higher cost-share rates for selected practices within key areas would result in more targeted conservation. The statutory purpose for EQIP of assisting producers to meet regulatory burdens is still met by making funds available to all producers that must meet blanket regulations; however, increased incentives, such as higher cost-share rates, better concentrates funds and participation in areas that will better address the sources of impairments. Additionally, increased participation in targeted areas increases the scale of the conservation benefits.

**Farm And Ranch Lands Protection Program (FRPP)** – We encourage continuing the FRPP as it has been used to protect fragile native grasslands in other parts of our states and holds the promise to expand that protection into the area of the lesser prairie-chicken.

In KS for example, native grasslands protected under FRPP tended to be larger acreages and involve more matching funds from partners, which lowers costs for USDA.

#### Specific FRPP Recommendations (in priority order):

- 1. Maintain current level of funding at \$200 million annually. In 2005 and 2006, the most recent years for which data were readily available, a strong unmet demand for FRPP among landowners is clearly documented. In both years, NRCS received nearly twice as many applications than appropriated funding could support.
- 2. Easement Restrictions Clarify that FRPP easements may restrict more intensive agricultural uses that are incompatible with protection of property's conservation values (e.g. breaking sod to convert ranchland to cropland) or would lead to off-property impacts (e.g. decline in water quality associated with confined animal feeding operation). Accordingly, Title II, Subtitle E, Section 1238I, paragraph B should be modified as follows:

## "SEC. 1238I. FARMLAND PROTECTION PROGRAM.

(b) PURPOSE – The purpose of the program is to protect the agricultural use and related conservation values of eligible land by limiting nonagricultural uses of that land. Restriction of certain agricultural uses may be permitted to extent such restrictions are necessary to protect conservation values of eligible land and are compatible with the viability of existing agricultural uses.

**Wildlife Habitat Incentives Program (WHIP)** – WHIP should be reauthorized and continue to focus on priority fish and wildlife species and habitats on all lands suitable for habitat development.

To maximize conservation opportunities and improve technical assistance delivery, USDA should recognize the management authority of state fish and wildlife agencies and readily enter into cooperative agreements to help USDA design, plan, implement and monitor conservation programs that benefit fish and wildlife resources.

As an example of WHIP's popularity in the PLJV Region, since the program began in 2009, KS landowners have enrolled over 243,000 acres into WHIP, with applications typically exceeding the available funding.

WHIP is also a major component of funding for the NRCS's Lesser Prairie-Chicken Initiative being carried out in the PLJV Region and has also benefitted from being targeted to areas that will produce the most habitat results for the LEPC.

## Specific WHIP Recommendations (ranked in priority order):

- 1. Funding cap per entity and per project should be eliminated.
- 2. Maintain current funding for WHIP.
- 3. Maintain flexibility in cost share rates to reflect regional differences in cost of practices.

## **Other Priority Considerations for the Conservation Title**

**Technical Assistance (TA)** – When asking landowners and producers in the PLJV area what do you most need from USDA and our partners regarding conservation, they almost unanimously reply, "More face to face technical assistance from someone who is knowledgeable about both what is needed for the natural resources and how I manage my farming or ranching operation." PLJV has been an active partner in promoting technical capacity in using Joint Venture dollars and funding we have raised to support local capacity to deliver Farm Bill Programs. Increased TA resources in our region has led to almost 30 additional cooperative positions between NRCS and a mix of PLJV partners including Pheasants Forever, Rocky Mountain Bird Observatory, The Nature Conservancy, and the KS Forest Service. These positions are trained wildlife biologists and range conservationists that work out of local USDA offices directly with producers and landowners to inform, plan, and implement the conservation practices most suitable for the producer or landowner.

Technical Assistance is the foundation of effective conservation and is the main vehicle we can use to relay latest programmatic advances such as targeting of enrolled acres to where they do the most good. TA is where we get the opportunity to answer the producers' question of "Why do you want me to implement the program in this way?" Once they understand the programs goals, they become willing partners in making programs even more efficient. Where knowledge is the barrier to meeting environmental challenges, technical assistance alone can be enough to assist producers. Where financial assistance is needed--in the form of cost-share, stewardship payments, easements, or rental payments--technical assistance is necessary to effectuate that funding. Technical assistance guides effective implementation of programs and multiplies the benefits of the financial assistance. However, as reported by the Statement of Managers to the 2008 Farm Bill, "the demand for technical assistance exceeds the present supply of technical resources, and the private sector cadre envisioned in the 2002 Farm Bill has not developed." This is why PLJV has worked with other Joint Ventures and the Association of Fish and Wildlife Agencies to promote more and better TA.

Specific TA Recommendations (ranked in priority order):

- 1. Increase the availability of technical assistance funding by creating a Farm Bill program Technical Assistance Account for use across programs based on a fixed percent of each mandatory program as recommended by NRCS.
- 2. Increase the availability of Technical Assistance Providers (TAP) to facilitate implementation of Farm Bill programs.
  - a. Expand and encourage utilization of private sector and NGO cooperative TAP positions by allowing the conversion of Financial Assistance funds to support these agreements.
- 3. Make Farm Bill program funding "no-year" funding to more effectively use existing funds and allow for more holistic planning.

**Program Consolidation** – Program consolidation is being discussed for many of the current conservation programs due to the large array of programs and practices that seem to be aimed at the same results. We think that program consolidation should be supported if it follows the principles below:

- It results in real benefits including lower transaction costs for landowners and producers
- It is not simply a vehicle for reducing investments in conservation
- Original program purposes are maintained

- Program flexibility, land and landowner eligibility, and conservation benefits are increased
- It results in better program accountability

That concludes our suggestions for the Conservation Title of Farm Bill 2012.

On behalf of PLJV and our partners, I thank the Committee Chairwoman and Ranking Member for the opportunity to provide testimony to the Committee on the Conservation Title of upcoming Farm Bill and we and our partners stand ready to assist Committee Staff with technical questions on the Conservation Title suggestions contained within this document.

Attached:

- PLJV Fact Sheet
- Playas and Recharge
- A map of NRCS and PLJV Partners Cooperative Private Lands Biologist Positions in the PLJV Region