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Testimony of Governor Jim Doyle Hearing on USDA Farm Bill Conservation Programs  
United States Senate Committee on Agriculture May 1, 2007

Mr. Chairman, Senator Chambliss, and Members of the Committee, thank you for the opportunity to discuss the conservation title of the farm bill. I am Jim Doyle, Governor of the State of Wisconsin, and chairman of the Midwestern Governors Association. The MGA has advanced a full slate of Farm Bill recommendations and policy objectives which I will share with committee members.

The current members of the Midwestern Governors Association include: myself, Gov. Rod Blagojevich (IL), Gov. Mitch Daniels (IN), Gov. Chet Culver (IA), Gov. Kathleen Sebelius (KS), Gov. Jennifer Granholm (MI), Gov. Tim Pawlenty (MN), Gov. Matt Blunt (MO), Gov. Dave Heineman (NE), Gov. John Hoeven (ND), and Gov. Ted Strickland (OH) and Gov. Mike Rounds (SD).

I'd specifically like to thank Minnesota Governor Tim Pawlenty, the immediate past Chair of the Midwestern Governors Association, for his work on organizing the MGA's recommendations for the farm bill last year.

I have worked closely with my colleagues in the MGA to identify three priority areas to address during my term as Chairman. Those priorities are energy independence and addressing global warming through the use of biofuels and other renewable energy sources; increasing our region's trade potential and reaping the economic opportunities that come with it; and reauthorizing the Farm Bill.

Creating a Farm Bill that strengthens Wisconsin's ability and the ability of the region to pursue new energy technologies from agriculture and forest products, protects our working agricultural and forest lands, provides nutrition to our families, and supports rural development is vital not only to the strength of the state and the region, but to the strength of the nation.

The farm bill shapes the future of agriculture. We see too few new farmers and ranchers carrying on the tradition of working our land. That means we must make sure that these businesses remain profitable. We must allow producers to make a living while providing for our nation and the world.

Today, I have been asked by the committee to focus my remarks on the Conservation Title of the Farm Bill. As the former Wisconsin Attorney General, I recognize that the conservation title of the farm bill is one of our nation's most important sections of environmental law. Our farmers and ranchers use this law as the guidepost for taking care of half of the nation's land.

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I must start by asking - if more than half of America's land is managed by farmers - why three out of four farmers get rejected when they seek USDA conservation assistance. In Wisconsin, more than one-third of conservation assistance requests in 2004 were not funded, according to the Natural Resource Conservation Service.

I also must ask why current federal farm policies do little to reward farmers who share the cost of ensuring clean air, clean water, sufficient wildlife habitat, and a stable climate.

A new Farm Bill should respond to these questions and better recognize the important role played by state government. Increased funding of state-federal conservation partnerships isn't just a good idea; it may be absolutely necessary for future farm policy.

States historically have been partners with the federal government, experimenting with innovative strategies aimed at moving government policies forward. It is this model of partnership that should guide us as we move farm conservation policies forward in the next Farm Bill.

In Wisconsin we have an amazing history and incredibly deep Conservation Legacy. As the home to Aldo Leopold, a visionary writer and philosopher, John Muir, the founder of the Sierra Club and former U.S. Senator Gaylord Nelson, the father of Earth Day and champion of landmark laws including the Wilderness act, National Wild and Scenic Rivers Act, and National Environmental Education Act, we have long recognized that we are blessed with abundant natural resources. We know that we must be good stewards of the land and those resources. And we absolutely must make sure that these lands are preserved for future generations.

I encourage USDA to support giving states more flexibility to use environmental stewardship funds in a manner that builds on state farm conservation efforts. In Wisconsin we are leading the way through a number of efforts:

? The Wisconsin Agricultural Stewardship Initiative (WASI) is helping researchers find science-based answers that promote farm profitability while protecting the environment and food supply.

? For the first time ever, Wisconsin will invest more than \$12 million in cost sharing over the next two years for farmers to do nutrient management planning.

? Wisconsin is leading a Conservation Innovation Grant (CIG) project that will evaluate best management practices to control odor levels and air emissions on dairy and livestock operations. This is exactly the kind of project the federal government should promote. However, the grant process was very competitive, with about 175 project proposals submitted from entities in 48 states. Besides Wisconsin, NRCS selected 53 other projects to receive more than \$19 million in funding. With increased funding, states could do more of this kind of research and experimentation to test new policy ideas locally that may one day be ready for broad national or regional implementation.

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Conservation programs are important to agriculture and timber producers - as well as the public - in order to satisfy new environmental management practices that will only increase in the future.

Mr. Chairman and committee members you recognize that the Midwestern states have long been the Corn Belt of the U.S. Now, these same states are emerging as the nation's Biobelt - leading our nation to greater energy independence through renewable energy resources. We started by turning corn into ethanol, expanded into turning soybeans into bio diesel, and now we are working to tap the potential of biomass feed stocks and cellulosic energy.

Farmers are the backbone of our country and their states. They are proud of who they are (especially when it comes to college football) and of what they do with their land. If in this bill we provide them with the tools they need, they will provide our country with homegrown renewable energy that's good for our national security and our environment.

To succeed in this effort, I encourage Congress to direct the U.S. Department of Agriculture to explore new methods to promote managed and sustainable biomass harvest on lands enrolled in conservation programs such as the Conservation Reserve Program.

Furthermore, the USDA should explore ways to properly manage biomass removal from lands under active agricultural and timber production to ensure proper residue and nutrient management.

These new initiatives will be consistent with existing conservation programs, but will inspire valuable new opportunities for farmers in Wisconsin and across the country.

The conservation of soil, water and wildlife resources provide important public benefits for millions of people, both rural and urban residents, throughout the Midwest and the nation. The Midwestern Governors are dedicated to protecting and improving the quality and quantity of the water in the Great Lakes and the region's inland waterway system, while maintaining the economic vitality of the agricultural landscapes within their boundaries.

In order to achieve our objectives we all share, we must preserve a strong and stably funded conservation title. Conservation programs for priority-working-lands should be mandatory spending provisions. Increased funding is needed since many applicants are rejected due to over-subscription of conservation programs.

We must continue and expand efforts that focus on conservation programs which promote agricultural production and environmental protection. These efforts should focus on addressing priority environmental concerns while improving active farmer and rancher income in programs such as:

- ? Conservation Reserve Program (CRP),
- ? Conservation Reserve Enhancement Program (CREP),
- ? Environmental Quality Incentives Program (EQIP),
- ? Wetlands Reserve Program (WRP).

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In Wisconsin, CREP is currently authorized for 100,000 acres and brings in payments of \$40 million annually to Wisconsin landowners. We support expanding the national acreage cap to 40 million acres to allow enrollment of additional lands under both the CRP and CREP.

We must continue the commitment to EQIP to cost-share projects that assist producers in addressing regulatory and compliance-related challenges. Furthermore, working lands conservation programs that mutually benefit priority resource concerns and livestock producers should remain a focus of Congress and the USDA. In particular, EQIP should continue to maintain a livestock focus, with targeted priority cost-share practices such as fencing and feedlot improvement. Furthermore, programs such as the Conservation Security Program (CSP) and the Grasslands Reserve Program (GRP) should be examined to provide future benefits to livestock producers.

I would urge increased funding for EQIP nationally to allow an increase in participation by eligible landowners and reduce waiting lists. Increased funding is also needed to address the conservation impact of increased corn production to meet the demands for ethanol production.

I also recommend expanding opportunities for forestland and forest management practices to qualify for EQIP benefits.

The Midwestern Governors also call for implementing recommendations identified by the Government Accountability Office report "USDA Should Improve Its Process for Allocating Funds to States for the Environmental Quality Incentives Program."

In addition, the Farm Bill should reauthorize and refine targeted land retirement programs such as CRP and WRP.

The WRP is a voluntary program for private landowners to protect and restore wetlands and remove marginal croplands from production. WRP lands improve water quality and quantity, reduce flood damage and improve wildlife habitat. Many landowners who wish to participate in the WRP are turned down because of a lack of available funds. Allocation for Wisconsin has approached \$10 million annually.

We encourage Congress to work with the USDA to better target new lands into the program that provide high-priority benefits such as water quality and wetland improvements. We support a 40-million-acre cap on CRP and CREP, and enrollment of up to 250,000 acres per year in WRP.

We must also move toward developing additional state and federal partnerships for land retirement programs, such as CREP, that address specific resource needs within specific watersheds.

States should be provided with a reasonable level of flexibility in implementation of conservation programs to meet local and regional environmental challenges. In particular, states

need greater flexibility to implement programs such as CSP, CRP and EQIP.

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Congress should examine streamlining the funding delivery of conservation technical assistance, conservation operations, and mandatory program technical assistance.

The USDA should better partner with state agencies, conservation districts and qualified conservation organizations to aid with the development of conservation plans, field inspections and project designs to avoid duplication of efforts and reduce the workload of USDA personnel. Furthermore, we encourage Congress and the USDA to promote agreements and provide block grants to address specific state conservation needs.

The Midwestern governors also recommend that the Farm Bill:

- ? Promote whole-farm conservation management by maintaining conservation programs and practices that keep farmers, ranchers and forest landowners on the land.
- ? Ensure conservation compliance measures are maintained and enforced.
- ? Maintain conservation priorities toward water quality, soil erosion and wildlife habitat.
- ? Explore and encourage bio-energy and product initiatives that are mutually beneficial to environmental priorities.
- ? Define roles and responsibilities (administrative vs. technical for example) between the Farm Service Agency and Natural Resources Conservation Service.

#### Conclusion

In conclusion, what we're doing in Wisconsin and across the Midwest is a primary example of what can be done across rural America to protect the environment, boost rural communities, and preserve family farms.

Wisconsin's initiatives show why the next Farm Bill should place a greater emphasis on supporting state projects that have national significance. Some new programs may be ready for broad national implementation while others should be implemented by individual state partnerships and pilot programs to allow for innovations to be trialed and solutions to be tailored to meet local needs and opportunities.

The importance of farming goes beyond economics. These conservation priorities will help us pass the baton to the next generation of farm families, who will preserve a way of life that is the backbone of Wisconsin's culture and values.

This testimony draws on the MGA positions on the entire Farm Bill that are contained in the Midwestern Governors Association Policy Objectives and Recommendations for the Farm Bill - 2007 document, which can also be found at: <http://www.midwesterngovernors.org/issues/FarmBill2007.pdf>