

Good Morning, my name is Mike Wendland. I am a dryland wheat farmer from Rudyard, Montana. I would like to welcome all of you to my home state and let you know that I appreciate the opportunity to testify before you on the important conservation issues facing producers today. I am pleased to be representing not only the Montana conservation districts but also all the districts across the country. I have served on my local Hill County Conservation District for 20 years, am a past president of the Montana Association of Conservation Districts and currently serve on the Board of Directors of the National Association of Conservation Districts.

Across the United States, nearly 3000 conservation districts (CDs)-- almost one in every county--play an important role making sure local leaders help make decisions regarding the use natural resources. CDs are helping local people to conserve land, water, forests, wildlife and related natural resources. We share a single mission: to coordinate assistance from all available sources -- public and private, local, state and federal -- in an effort to develop locally driven solutions to natural resource concerns. More than 17,000 volunteers serve in elected or appointed positions on conservation districts' governing boards. Working directly with more than 2.3 million cooperating land managers nationwide, their efforts touch more than 778 million acres of private land.

For over 60 years, conservation districts

The Farm Bill conservation title has grown over the last decade to now represent significant funding and meaningful technical assistance to farmers and ranchers across the country. This commitment allows farmers to not only protect their soil and water but also to be a better neighbor and citizen. Districts believe that every acre of conservation counts, including row crop, range, forest or livestock operations, and the growing rural/urban interface.

We believe that a producer must have an economically viable farming operation to be able to make an investment in conservation practices on their operation. Conservation districts support the increased emphasis on conservation spending for private working lands and hope these trends continue. While NACD supports maintaining land retirement programs such as the CRP and WRP, keeping our remaining cropland in production while funding conservation practices on that land may be a more cost-effective and environmentally viable option for existing working lands.

Local priorities should be integrated into conservation programs. No conservation program can be successfully implemented from a national level and participation in work groups at the local level best direct program implementation to the greatest resource need in the community.

The continuation of the locally-led process is critical to identifying natural resource concerns, setting priorities, and meeting the resource needs of the county or watershed. Conservation Districts are instrumental in the locally-led process, utilizing natural resource planning, working with landowners, federal, state, and local governments to priorities conservation efforts in the area to address the natural resource concerns.

Conservation financial assistance provided through the Farm Bill programs is an important component in achieving agricultural sustainability both economically and environmentally. But Mr. Chairman, let me assure you that every time you hear NACD members talk about the Farm Bill we will talk about conservation technical assistance. Technical assistance allows NRCS

offices at the local level to work with Districts, landowners, and state and local agencies to address local resource concerns. Technical assistance is utilized to work with landowners on conservation plans from design, layout and implementation, helping landowners understand highly erodible land and necessary compliance for participation in farm bill commodity programs. Technical assistance is also used for evaluation and maintenance of conservation practices. Once a conservation practice is installed, it must be maintained to ensure we continue to see the benefits of the practice. Funding for technical assistance allows NRCS and district employees to meet face to face with landowners, visit their operation and help them design strategies to the resources needs of their individual agricultural operation. Through these discussions, a comprehensive conservation plan can be developed and then financial assistance programs such as EQIP, CRP or any other program in the conservation "tool box" can be utilized to help meet the goals of the conservation plans.

Technical assistance has been a key component in working with livestock producers to understand the EPA AFO/CAFO regulations. District staff and NRCS personnel helped to conduct workshops and demonstration projects so producers could see first hand the changes that needed to be made to avoid enforcement actions under the Clean Water Act. Some producers went on to seek EQIP assistance to make these changes, some producers just needed to know what was required and made the improvements on their own.

Conservation technical assistance is also used to assist local watershed planning groups to address impaired water bodies - working to provide these groups with the technical information they need to determine locally how best to address water quality issues. Technical assistance is necessary to help producers to install and maintain complex conservation practices on the landscape. The technical assistance from NRCS field staff, along with the resources conservation districts and state conservation agencies provides is critical to the success of conservation in the United States. The bottom line is that producers need quality technical assistance to maximize the effectiveness of the financial assistance they receive. Even without financial help, many producers still rely on technical help to ensure that they are putting quality practices on the land. But it's the combination of the two that makes America's conservation delivery system efficient and effective.

A concern from many local conservation districts is focusing conservation technical assistance only for specific Farm Bill programs therefore not providing general technical assistance. NACD understands the need to fully implement each of the farm bill conservation programs, which we support, but feel that conservation technical assistance at the local level should not strictly be tied to a farm bill program. Districts across the country engage landowners that may not seek federal cost-share programs or financial assistance, but would like technical assistance. Whether they are limited by acreage, size of operation, or have sufficient funds to make capital conservation investments without federal cost-share or program dollars, local offices must be able to serve all landowners. We acknowledge that there is a backlog of contract implementation through federal farm bill conservation programs where contracts are approved but need technical assistance for complete implementation. This backlog should be addressed, but not at the loss of providing more general technical assistance. We cannot lose the ability to provide this critical technical assistance to meet the needs of local landowners.

The EQIP program has been widely successful across the country. Even with the substantial increase in funding provided in the 2002 Farm Bill, the demand exceeds the available dollars. The input from the local level is instrumental in making this program successful. Local work groups are utilized in setting priorities and allowing for targeting the program to local conservation needs. We hear that in many states there is a backlog of EQIP projects that have been approved but not yet implemented and feel it is crucial to have the personnel on the ground to administer these programs.

The Grasslands Reserve Program has been very successful; however it has been limited by funding. The funding available from the 2002 Farm Bill (\$254 million) has been fully utilized prior to reaching the acreage cap of 2 million acres, making the program unavailable for 2006 and 2007. The GRP program is just another excellent program that helps maintain open spaces around growing communities and helps keep our working lands from being developed at a higher rate. Keeping working lands in production, whether it's in crop production, grazing or timber is important to our local communities and economies.

NRCS works with local watershed sponsors on watershed projects as authorized under P.L. 83-566 and P.L. 78-534. In the 2002 Farm Bill, mandatory funding was provided and appropriation authorized to carryout small watershed rehabilitation projects. The issue of the current condition of the dams constructed over the last fifty years under the watershed program is a matter of great concern. Many of the 11,000 plus dams that NRCS assisted in building throughout the United States, no longer meet current dam safety standards. This situation exists largely as a result of development and land use changes both up and downstream. Structures originally built to protect farm land now receive increasing run off from upstream while protecting homes and lives rather than simply cropland downstream. There is a serious need to upgrade these dams to current standards immediately. Critical funding for rehabilitation efforts that was secured in the Farm Bill has not been provided. These dams across the country are in need of repair and rehabilitation to ensure flood control protection. Watershed projects nationwide not only provide flood control protection, but have resulted in over 9 million acres of wildlife habitat, over 200,000 acres of wetlands (created or enhanced), over 25,000 miles of enhanced stream corridors and reduced sedimentation nearly 50 million tons per year.

The Conservation Reserve Program was long thought of as the main conservation program of the Farm Bill. In 2002 the conservation program options expanded, but CRP remained a focal point of the conservation portion of the Farm Bill. As this committee knows, many of those long term contracts under CRP are expiring over the next few years. Between 2007 and 2010, the contracts on 28.5 million acres will expire. USDA has started the re-enrollment process with higher offers for the most environmentally sensitive lands, a process that NACD supports. However, NACD members across the country are not uniform in their views on CRP. In the South, our members believe there should not be a general re-signup for CRP. With significant resources dedicated to the CRP program and land retirement, NACD believes overall conservation funding should be balanced between working lands and land retirement programs.

The CRP program and its components - the Conservation Reserve Enhancement Program (CREP), the Farmable Wetlands Program and the continuous sign-up have been popular across

the country. NACD believes that targeting CRP to the most environmentally sensitive lands should be the focus of the program. The CREP program has been tremendously successful in partnering federal and state funding in a targeted area for greater conservation benefits.

NACD was a strong advocate for an incentive based conservation program and supported the Conservation Security Program in the 2002 Farm Bill. In the development of the program, creation of regulations, and actual implementation, the program changed significantly from our original concept. We hoped for a program that was easy for producers across the country to understand, resulting in graduated support for increasing adoption of conservation practices. Unfortunately, the result was an extremely targeted program with complex implementation. The reaction to the CSP program across the country is mixed. Some states have been very successful in implementation. Local districts related that those who can access and participate in the program, like the program, but those who do not have access feel at a disadvantage. We also hear that the program is too complicated - both with general understanding of program design and application complexity by the producer, coupled with limited watershed-based availability and lack of additional assistance on the ground needed to implement the program.

The Wildlife Habitat Incentives Program, working with landowners through cost-share, increases wildlife habitat with priorities on threatened and endangered species habitat. This program provides a unique focus habitat restoration, and broadens the scope of Farm Bill conservation programs to address increasing pressures on farmers and ranchers from the Endangered Species Act.

There are a few areas that NACD believes are not being fully addressed by the conservation programs of the 2002 Farm bill. Conservation districts not only work on that 52 percent of land in the US that is in agriculture production, but most all land in the US falls within a conservation district, and we must focus our resources on all of these lands. In the West we hear from our members about more integration of conservation programs on Federal lands. While this may pose jurisdictional issues, we believe there could be additional conservation gains on this land through coordinated efforts with Federal land management agencies. Forestry issues have also not fully been addressed through conservation programs, with limited funding for the Forestry Land Enhancement Program. More and more districts are concerned with the lack of conservation assistance for private forested lands and see opportunities for conservation benefits. The 2007 Farm Bill should place additional emphasis on conservation of forested lands to encourage greater participation of forest landowners. Public benefits provided by forests include clean water, clean air, wildlife habitat, recreation opportunities, as well as a renewable source of wood products. NACD encourages a Federal commitment to private forestry through increased technical and financial assistance to provide for continued public benefits of ecosystem services on a forest landscape level.

As programs are reviewed we hope that the wide variety of benefits can be taken into account - programs don't just improve water quality or soil quality, but also improve air quality and provide better habitat, and all of these benefits should be considered. NACD fully supports any effort to make the programs more user friendly, easier for producers to understand and more efficient, but they must continue to focus on our conservation gains - cleaner air, water, improved soil quality and wildlife habitat.

Also Mr. Chairman, we hear a lot of talk that the next farm bill will include a strong renewable energy title. We too recognize the needs and benefits of energy production in the US and on our lands, and support renewable fuel development and production for on and off-farm energy. However, we just caution the subcommittee not to minimize the conservation gains in all programs we have achieved over the last 20-25 years.

NACD hopes the committee will work with sound science and proven technologies for the best use of natural resources. We believe it can be done and is already being done with the production of corn for ethanol and oilseeds for biodiesel; however, we do want to move carefully in the use of CRP lands and others agriculture lands for additional production. There is also potential through forestry resources that could be a valuable resource for cellulosic energy production with available biomass. We support continued research and development on the viability of these renewable resources. NACD is not calling for the prohibition of more energy production; we just want to interject a voice of reason to make sure we do not improve one set of factors while hurting another.

Conservation Districts work to identify local resource concerns, help prioritize funding and the focus of projects to have the greatest conservation and environmental benefit in the local community, benefits that are provided both to the landowner and the public. Everyone benefits from cleaner water, air and improved wildlife habitat and water management. We seek to coordinate the efforts of local, state and federal government programs and educate landowners and the public about the opportunities and benefits of Farm Bill Conservation programs. But more can always be done. Conservation Districts across the country have a strong conservation ethic and are committed to making these programs successful on our farms, in our community and for our environment.

The 2002 Farm Bill was a hallmark for conservation in this country--it offers a sound mix of programs and resources to build upon for the future. While it heralded a tremendous leap forward, there are still many who remain untouched by its potential. Conservation districts believe that every acre counts from a conservation perspective and that the Farm Bill needs to bring its conservation benefits to all producers and all agricultural lands. It doesn't matter whether it's EQIP or CSP, WRP or CRP, on-the ground results are what counts and making sure we have the vehicles to get those results in 2007 will be the principal measure of our success.

We all have a great opportunity in the 2007 farm bill to build on the good programs and policies that were advanced in 2002. I pledge to you that the Georgia conservation districts and those across the country want to be a constructive and active player in the development of the 2007 farm bill. We want to work with you to make sure the next conservation title provides meaningful assistance to producers and results the taxpayers can also appreciate and enjoy. Thank you again for the opportunity to testify before you today.