

Amendment 2353— To eliminate two “working lands” conservation programs: (1) the Environmental Quality Incentives Program (EQIP) and (2) the Conservation Stewardship Program (CSP)

Our nation’s natural resources and available farm land are scarce resources and treasures to those who live on or near them, farm them, or otherwise enjoy them. It is critical many of these plots be protected from misuse, neglect, and overdevelopment.

Fortunately, these goals most often are shared by landowners themselves or other interested stakeholders and do not require federal funding to achieve. Any initiative that simply pays farmers to take actions that they would likely take anyway should be viewed with extreme caution.

“Working lands” (as opposed to land retirement or watershed) is a category of conservation programs that incentivizes producers to improve land that is in production. The two largest working lands programs are the Conservation Stewardship Program (CSP) and the Environmental Quality Incentives Program (EQIP).

“Working Lands” conservation programs do not take into consideration that it is often in the best interest of the farmers and landowners to take many of the same measures on their own initiative that conservation programs encourage through taxpayer-funded assistance.

This amendment should challenge the Senate to think hard about our priorities. We simply cannot afford to continue spending taxpayer dollars on programs that —although noble in their intentions—are not absolutely essential to our country’s future.

Washington will spend more than \$3.6 trillion in 2012, at a rate of \$9.9 billion every day, \$3.4 of which is borrowed daily.

After four years of trillion dollar deficits, we now face a nearly \$16 trillion debt, received the first credit downgrade in our country’s history. Yet, we are on course to spend \$20 billion over the next ten years on two programs that pay farmers and ranchers to take steps that save them money on their own.

This amendment should help demonstrate that working lands conservation programs are of the lowest priorities for Americans, because natural incentives exist to achieve the same purposes without taxpayer dollars.

Environmental Quality Incentives Program (EQIP)

EQIP is expected to cost \$12.4 billion over the next ten years.

EQIP is the largest “working lands” program that provides financial and technical assistance to producers and landowners to install structural, vegetative, and land management practices to address resource concerns.

This program funds improvements to farm operations that oftentimes producers are capable and even incentivized to do on their own without federal assistance.

No-Till is a good method for conserving resources, increasing yields, and saving money. ..and USDA will pay you to do it.

Producers in EQIP are paid to implement “no-till” on their operations, which is a method used to grow crops that prevents erosion and disturbance of the land and wildlife by keeping more water and nutrients in the ground. In this way, it can also increase yields.

No-Till is also more profitable than conventional tillage, because it avoids typical input costs, such as irrigation, fuel, and other machinery costs.

Two research studies cite findings from dryland wheat production from the State of Oklahoma. In summary, under identical or slightly lower yields through no-till cultivation, no-till would be more profitable than conventional tillage.

High diesel, labor, and herbicide prices have significant impact on profitability and make no-till even more profitable than conventional tillage.

For example, one producer estimated that conventionally tilling his land prior to participating in EQIP had cost him \$60,000 and that the implementation of no-till itself (still prior to EQIP participation) had brought those expenses down to \$20,000.

On top of these savings, EQIP paid him to no-till. While payments vary according to operation, EQIP generally pays \$15-30 per acre for no-till practices.

USDA's Natural Resource Conservation Service (NRCS) acknowledges the cost-savings of no-till, because it reduces the number of passes and mechanical effort needed to be made by the farm equipment (and operator) to accomplish the preparation and planting of crops.

There were 2,930 of these projects nationwide in 2011 for a total obligation of \$13.4 million. The Conservation Stewardship Program (CSP—discussed below) also funds no-till operations at \$11.61—\$6.98 per acre. There were 602,000 acres enrolled in 670 projects for CSP in 2011.

Despite the fact that no-till was a choice that this producer would likely have made anyway due to the associated cost savings, EQIP paid an additional amount, rendering the program largely useless in terms of achieving the intended policy goal and serving as a true incentive. Instead, it functions only as a “thank you” to producers that NRCS approves of.

Conservation Stewardship Program (CSP)

CSP is another “working lands” program, which provides financial and technical assistance to landowners to implement measures that improve the environment on their land.

The Senate farm bill reauthorizes this program at 10.3 million enrollable acres and an opportunity to receive \$200,000 in total payments. CSP is expected to cost \$8.5 billion over the next ten years.

CSP is unique in that it provides financial assistance to “good actors”—farmers and ranchers that are *already* implementing environmentally-friendly practices on their operation. CSP funding encourages them to either maintain their current practices or go above and beyond.

According to NRCS, CSP is a way to thank producers for doing a good job, which suggests the program is poorly structured and does not serve a vital need, particularly in the context of our nation's fiscal concerns.

So instead of the program encouraging “bad actors” to change environmentally-damaging habits, CSP incentivizes producers to continue what they have already determined to be good personal choices either for cost-savings purposes, efficiency purposes, or otherwise.

This renders the improvements made through the program marginal at best and is not an effective use of taxpayer dollars.

For example, one producer can utilize Global Positioning System (GPS) technologies to spray and seed his fields. For this producer whose primary occupation is not farming, GPS technology allows him to spray efficiently in the dark after the work day is finished without overlapping any areas.

While NRCS does not pay for the GPS technology itself, it does provide payments simply for the use of GPS for precision application of nutrients to avoid over-spraying. In Oklahoma, the average payment rate for using GPS precision applications is \$6/acre

Another rancher constructed “grazing cages” (pictured below), which are extraordinarily simple devices used to restrict grazing on a small area for the purpose of measuring grazing levels over time.

CSP pays \$2.46/\$1.48 (max/min) per acre for each acre that uses the cages to monitor and control grazing levels. A total of 2,495,226 acres enrolled in FY 2011. This means it costs taxpayers at the very least \$3.69 million and at most \$6.1 million in 2011.

EQIP does not fund exclusion cages but does fund more conventional fencing projects for pasture land.

On a related note, the Bureau of Indian Affairs (BIA) also assist in constructing grazing cages for federally-managed trust lands where local Native Americans operate small cow/calf herds.

Grazing Cage:



According to CBO, this amendment would save \$20.8 billion over ten years.