

**HEARING FOR THE PURPOSE OF RECEIVING
TESTIMONY FROM THE U.S. DEPARTMENT
OF AGRICULTURE'S NATURAL RESOURCES
CONSERVATION SERVICE AND FARM
SERVICE AGENCY**

HEARING

BEFORE THE

SUBCOMMITTEE ON CONSERVATION, RESEARCH,
AND BIOTECHNOLOGY

OF THE

COMMITTEE ON AGRICULTURE
HOUSE OF REPRESENTATIVES

ONE HUNDRED EIGHTEENTH CONGRESS

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TUESDAY, MAY 23, 2023

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON CONSERVATION, RESEARCH, AND
BIOTECHNOLOGY,
COMMITTEE ON AGRICULTURE,
Washington, D.C.

The Subcommittee met, pursuant to call, at 10:04 a.m., in Room 1300 of the Longworth House Office Building, Hon. James R. Baird [Chairman of the Subcommittee] presiding.

Members present: Representatives Baird, Lucas, Miller of Illinois, Cammack, Finstad, Duarte, Alford, Thompson (*ex officio*), Miller of Ohio, Spanberger, Budzinski, Sorensen, Tokuda, Vasquez, and Costa.

Staff present: Adele Borne, John Busovsky, Patricia Straughn, Erin Wilson, John Konya, Kate Fink, Amar Nair, and Dana Sandman.

**OPENING STATEMENT OF HON. JAMES R. BAIRD, A
REPRESENTATIVE IN CONGRESS FROM INDIANA**

The CHAIRMAN. Good morning and thank you for joining this Subcommittee on Conservation, Research, and Biotechnology hearing for the purpose of receiving testimony from the U.S. Department of Agriculture's Natural Resources Conservation Service and from the Farm Service Agency. After brief opening remarks, Members will receive testimony from our witnesses, and then the hearing will be open to questions. In consultation with the Ranking Member, and pursuant to Rule XI(e), I want to make the Members of the Subcommittee aware that other Members of the full Committee may join us today.

With that, I am going to make my opening statement, and just want to say good morning again. It is a pleasure for me to be here, and I want to welcome everyone to today's hearing to discuss the implementation of the 2018 Farm Bill, and the conservation programs administered by the Natural Resources Conservation Service, better known as the NRCS, and the Farm Service Agency, which is FSA. Today's hearing is an opportunity for Members of this Committee to engage directly with NRCS and FSA on imple-

mentation of the current farm bill and hear what we should consider as we move forward with the reauthorization process.

Our farm bill conservation programs, and the conservation delivery system, is a proven model and it is critical for addressing the many natural resource concerns of farmers, ranchers, and landowners. Farm bill conservation programs are voluntary, and they are incentive-based, providing direct benefits to both the environment and the producer alike. Another effective component of the farm bill's conservation programs is that many of them are locally-led. This allows flexibility in popular programs such as the Environmental Quality Incentives Program, better known as EQIP, and the Conservation Stewardship Program, CSP. I am hopeful that as we move forward with the 2023 Farm Bill, we can build on positive reforms of the last few farm bills, protect the essential conservation programs, and ensure that Title II programs always remain producer-first.

In recent years conservation programs have received more attention because of the climate-related co-benefits they provide. I recognize the importance of these co-benefits, but I also think that we shouldn't completely reorient Title II programs towards any one natural resource concern. The Inflation Reduction Act (Pub. L. 117-169) provided significant new funding for the four conservation programs with climate-specific funding requirements in place, meaning they must sequester carbon or directly reduce emissions. Despite the initial price tag of nearly \$20 billion, the Congressional Budget Office predicts that the Department will spend roughly \$15.3 billion over the authorized period. This funding comes on top of the \$3.1 billion the Administration authorized through the Climate-Smart Commodities Program, which was funded by the Commodity Credit Corporation, CCC, and was created with no Congressional authority.

I believe that as we conduct our review of the 2018 Farm Bill's conservation title, we must examine this enormous influx in funding, and how these dollars are being allocated by USDA. While many conservation programs are oversubscribed, additional funding can't get out the door unless we have the boots on the ground and the available technical assistance providers. And this is why I was proud to introduce the Increased TSP Access Act of 2023 (H.R. 3036) with Ranking Member Spanberger, which will address the Technical Service Provider shortages.

Finally, as we look at the farm bill's conservation programs, we must ensure that Title II programs will always be voluntary, incentive-based, producer-first, and locally-led. With that, I look forward to today's discussion, and would like to welcome our witnesses, Mr. Terry Cosby, Chief of the Natural Resources Conservation Service—very glad to have you with us—and Mr. Zach Ducheneaux, Administrator for the Farm Service Agency. Thank you both for your service and for being here this morning.

[The prepared statement of Mr. Baird follows:]

PREPARED STATEMENT OF HON. JAMES R. BAIRD, A REPRESENTATIVE IN CONGRESS
FROM INDIANA

Good morning. Welcome everyone to today's hearing to discuss implementation of the 2018 Farm Bill, and conservation programs administered by the Natural Resources Conservation Service (NRCS) and the Farm Service Agency (FSA).

Today's hearing is an opportunity for Members of this Committee to engage directly with NRCS and FSA on implementation of the current farm bill and hear what we should consider as we move forward with the reauthorization process.

Our farm bill conservation programs and the conservation delivery system is a proven model and is critical for addressing the many natural resource concerns before farmers, ranchers, and landowners.

Farm bill conservation programs are voluntary and incentive-based, providing direct benefits to both the environment and the producer alike.

Another effective component of the farm bill's conservation programs is that many of them are locally-led. This allows for flexibility in popular programs such as the Environmental Quality Incentives Program (EQIP) and the Conservation Stewardship Program (CSP).

I am hopeful that as we move forward with the 2023 Farm Bill, we can build on positive reforms of the last few farm bills, protect the essential conservation programs, and ensure that Title II programs always remain producer-first.

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The Inflation Reduction Act provided significant new funding for four conservation programs with climate-specific funding requirements in place, meaning they sequester carbon or directly reduce emissions.

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Finally, as we look at the farm bill's conservation programs, we must ensure that Title II programs will always be voluntary, incentive-based, producer-first, and locally-led.

With that, I look forward to today's discussion and would like to welcome our witnesses: Mr. Terry Cosby, Chief of the Natural Resources Conservation Service, and Mr. Zach Ducheneaux, Administrator of the Farm Service Agency.

Thank you both for your service and for being here this morning. With that, I will yield to Ranking Member Spanberger for any opening remarks she would like to make.

The CHAIRMAN. And with that, I will yield to Ranking Member Spanberger for any opening remarks that she would like to make.

**OPENING STATEMENT OF HON. ABIGAIL DAVIS SPANBERGER,
A REPRESENTATIVE IN CONGRESS FROM VIRGINIA**

Ms. SPANBERGER. Thank you, Chairman Baird. I appreciate the opportunity to hear from these two witnesses about USDA's conservation work, and I thank you for hosting this hearing. Thank you for being here today, Chief Cosby and Administrator Ducheneaux. I almost don't recognize you without your hat on. Thanks for being here.

Last month I convened a farm bill summit in my district to hear directly from Virginia crop and livestock producers, farm groups, and conservation organizations about their priorities as we work to

craft and advance this year's farm bill. We had over 100 people in attendance and heard from a wide range of commodities and perspectives. And I would like to thank Administrator Ducheneaux for attending, for sharing his thoughts about FSA's important work, answering some questions of my constituents, and, most importantly, listening to Virginia's farmers, their questions and their feedback.

Throughout the day farmers shared the value of NRCS conservation programs to their operations. They explained that these programs are critical for their ability to fund and start conservation projects on their land and receive payments for protecting land, among other benefits of these programs. Farmers also shared some of the challenges that they experienced in enrolling in these programs. One Virginia farmer shared that he spent over a year waiting to enroll in EQIP due to the program being oversubscribed, and a shortage of Technical Service Providers in the area, which resulted in a long wait to get a TSP to come out to his operation and help develop the plan that he needed to enroll.

In the last year we have made historic investments in meeting producers' demand for these programs through additional funding, and this is an important step to make sure these funds are there for farmers who want to enroll in these, as the Chairman said, voluntary conservation programs. And now we need to focus on making it easier for farmers to enroll in these programs.

Among the opportunities to strengthen these programs is the bipartisan bill, that I am proud to co-lead with Chairman Baird, the Increased TSP Access Act, which will help boost the number of Technical Service Providers to provide assistance to America's farmers and ranchers. And I want to thank Chairman Baird for his leadership and partnership on this legislation, and I look forward to other opportunities where this Subcommittee can strengthen NRCS conservation programs in a bipartisan basis.

In closing, I look forward to learning more about NRCS and FSA's work, hearing from you both today, hearing what my colleagues are hearing from the producers in their districts, and our discussion about how the farm bill can help support your important missions and our shared goals in moving conservation forward. These programs are popular across all regions and commodities, so we must continue to work with partners to leverage these resources to help farmers, ranchers, and foresters continue their work as the original conservationists that they are. Mr. Chairman, I yield back. Thank you.

The CHAIRMAN. The gentlelady yields back and next we have the Chairman of the entire Agriculture Committee, Mr. "GT" Thompson, and I open the floor for any remarks he would like to make. "GT"?

**OPENING STATEMENT OF HON. GLENN THOMPSON, A
REPRESENTATIVE IN CONGRESS FROM PENNSYLVANIA**

Mr. THOMPSON. Well, I thank you, Chairman Baird, Ranking Member Spanberger. I really appreciate today's hearing and the opportunity to hear from Chief Cosby and Administrator Ducheneaux. Conservation has always been a high priority for me. I am proud of the great work the Committee has done in the past

on this important title, and I am hopeful that we will make further improvements in the 2023 Farm Bill. Historically, we start with the question of what is working and what can be improved, and I look forward to hearing from our witnesses on that very concept.

In addition to that question, I have serious concerns whether the Department can effectively and efficiently administer an unprecedented and uncoordinated increase in funding showered on you by this Administration and the past Democratic Congress. With the IRA funding, I believe we must have a bipartisan, bicameral discussion on the best way to administer this funding. We must admit that some of the funding is unrealistic and would be better used by bringing it into the baseline and spread out over a more realistic timeframe. I also think we must remove the climate restrictions and let the locally-led model continue without limitation.

As I did last fall, let me briefly summarize some of my priorities. We can't prioritize one natural resource concern over all others, and we shouldn't prioritize one solution above all others. Our system of conservation delivery works because it is voluntary, incentive-based, and are locally-led. That locally-led component is important because different regions have different local natural resource concerns that need to be addressed. Second, we need to emphasize working lands. There is a reason why EQIP is the most popular and effective program at getting conservation on the ground.

Third, we need to encourage innovative solutions through the conservation title. Agriculture has always relied on science, and technology, and innovation, and we should encourage that throughout the farm bill. Whether that is through innovations like precision agriculture, or innovative ideas like soil health grants to the states, we need to think innovatively. Fourth, we need to encourage more work with the private-sector and look to expand technical capacity where we can. Legislation such as Chairman Baird's and Ranking Member Spanberger's Increased TSP Access Act of 2023 are critical to addressing this issue.

Fifth, we should be supporting working forests in the conservation title. We should encourage forestlands to be a part of Title II and reforms to allow for better management of our National Forests. And finally, as I said at the beginning, we need to look at what is working and what needs improvement. We need to look at ways to simplify and modernize our programs. A lot of the stakeholder input I hear is that RCPP and CRP need to be evaluated and improved to ensure the original principles of the programs continue to be fulfilled.

With that, I very much appreciate today's hearing, and welcome our witnesses. Chief Cosby and Administrator Ducheneaux, thank you for being here today, and we look forward to your testimony and today's conversation. And I yield back.

[The prepared statement of Mr. Thompson follows:]

PREPARED STATEMENT OF HON. GLENN THOMPSON, A REPRESENTATIVE IN CONGRESS
FROM PENNSYLVANIA

Thank you, Chairman Baird and Ranking Member Spanberger. I appreciate today's hearing and the opportunity to hear from Chief Cosby and Administrator Ducheneaux.

Conservation has always been a high priority for me. I'm proud of the great work the Committee has done in the past on this important title and I'm hopeful that we will make further improvements in the 2023 Farm Bill.

Historically, we start with the question of what is working and what can be improved, and I look forward to hearing from our witnesses on that very concept. In addition to that question, I have serious concerns whether the Department can effectively and efficiently administer an unprecedented and uncoordinated increase in funding showered on you by this Administration and the past Democratic Congress.

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With that, I again appreciate today's hearing and welcome our witnesses. Chief Cosby and Administrator Ducheneaux, thank you for being here today. We look forward to your testimony and today's conversation.

The CHAIRMAN. Thank you, Mr. Chairman. The chair would request that other Members submit their opening statements for the record, so that the witnesses may begin their testimony and ensure that there is ample time for questions.

Our first witness of the day is Mr. Terry Cosby, who is the Chief of the USDA's Natural Resources Conservation Service. And, I really wish you all had the opportunity and time to read the background and résumé of our witnesses today. I think we are very fortunate to have their expertise here, and so I appreciate you being here. And, with that, Mr. Cosby, if you would like to begin, you have 5 minutes.

STATEMENT OF TERRY COSBY, CHIEF, NATURAL RESOURCES CONSERVATION SERVICE, U.S. DEPARTMENT OF AGRICULTURE, WASHINGTON, D.C.

Mr. COSBY. Good morning, Chairman Baird, Ranking Member Spanberger, and Members of the Subcommittee. Thank you for the opportunity to speak with you about the critical support that conservation programs provide for American agriculture as you consider a new farm bill. My name is Terry Cosby, and I am honored to serve as the Chief of the Natural Resources Conservation Serv-

ice, NRCS. I have spent the past 42 years of my career at NRCS engaging with agriculture producers in rural communities, helping them to invest in the land that they work. My great-grandfather purchased our family farm in Tallahatchie County, Mississippi in the late 1800s, and the importance of conservation has been handed down through generations with that family land.

The 2018 Farm Bill made it clear that voluntary conservation programs are critical to the continued viability of production agriculture. It also provides new incentives for producers, and also creates new agricultural opportunities in urban communities. The practices and systems supported through our voluntary farm conservation programs provide critical benefits for climate mitigation, climate adaptation, enhanced wildlife habitat, improved water quality, and water conservation to help agriculture producers make their operations more resilient.

As we continue to work with producers to implement the 2018 Farm Bill, we are also excited about the historic, once in a generation opportunity we have through the Inflation and Reduction Act to increase the number of producers who can participate in NRCS programs. NRCS moved quickly with our re-implementation, announcing the availability of Fiscal Year 2023 funding on February 13th. Producers applying to implement climate-smart agriculture and forestry practices and systems through EQIP and CSP can now be funded through IRA, with sign-ups and priorities continuing to be set at the local and state level.

For ACEP we held a targeted national signup that prioritized grasslands in areas of highest risk for conversions and wetland soils high in organic carbon. The recent released RCPP funding opportunity included farm bill and IRA funds for Fiscal Year 2023. In order to effectively implement the IRA, NRCS is expanding capacity, streamlining program delivery, improving customer service, leveraging partnerships, and advancing equity. As part of this effort, we saw public feedback through a request for information, receiving over 450 comments from individuals, organizations, and producer groups. We are putting these recommendations to work, and we will continue to identify and adapt additional changes based on public feedback in Fiscal Year 2024 and in future years.

Additionally, NRCS has stood up several teams to make our programs more efficient and producer friendly. The RCPP team, with input from stakeholders and employees, recently rolled out changes to this program, including simplifying technical assistance language, streamlining workforce process to reduce implementation timelines, including additional flexibility for easements to use covered programs, and emphasizing participation by underserved producers and landowners. Likewise, the ACEP team is streamlining workflow processes, improving efficiencies in appraisals, appraisal reviews, and boundary surveys timelines, expanding eligible entity certification, and delegating approval authority to state offices, which reduces the need for waivers.

To improve qualifications of greenhouse gas benefits of IRA practices, the agency is forming strong collaboration across USDA with its external partners. This will also improve the agency's ability to track trends through the USDA GHG Inventory and Assessment Program. NRCS's implementation of the IRA funds on top of its

record of timely and equitable implementation of the bipartisan infrastructure law (Pub. L. 117–58). The BIL provided \$918 million to NRCS programs to rehab aging dams, protect and restore wetlands, and provide recovery from natural disasters. NRCS prioritized serving communities impacted by severe weather, as well as underserved communities, including Tribes.

NRCS's accomplishment would not be possible without our more than 10,000 employees in every state and Territory across the country. Agency employees work incredibly hard to connect with farmers, ranchers, forestland owners, Tribes, and partners to implement our many programs and initiatives. I am honored to lead so many dedicated conservationists in my role, and I appreciate Congress's support for NRCS and our work to build resilient agriculture operations, combat climate change, ensure equity, and support voluntary conservation on working lands. I look forward to our discussion today. Thank you.

[The prepared statement of Mr. Cosby follows:]

PREPARED STATEMENT OF TERRY COSBY, CHIEF, NATURAL RESOURCES CONSERVATION SERVICE, U.S. DEPARTMENT OF AGRICULTURE, WASHINGTON, D.C.

Chairman Baird, Ranking Member Spanberger, and Members of the Committee, thank you for the opportunity to speak with you today about the continued value that conservation programs provide for American agriculture. In implementing the programs authorized by the 2018 Farm Bill, USDA has worked alongside producers to support and strengthen agriculture, protect, and enhance our shared natural resources, build resiliency, and mitigate climate change.

My name is Terry Cosby, and I am honored to serve as the Chief of the Natural Resources Conservation Service (NRCS), where I have spent the past 42 years engaging with agricultural producers and rural communities, helping them to invest in the lands that they work. My great-grandfather purchased our family land in Tallahatchie County, Mississippi in the late 1800s, and the importance of conservation has been handed down through generations with that family land.

The 2018 Farm Bill made it clear that voluntary conservation programs are critical to the continued viability of production agriculture. It also provided new incentives for producers and created new agricultural opportunities in urban communities.

The ongoing success of the farm bill conservation programs has led to greater opportunity to make financial and technical assistance available to agricultural producers and communities. Producer demand for voluntary conservation continues to result in our programs being oversubscribed. This is further driven by the opportunities available through voluntary conservation to respond and build resiliency in the face of devastating natural disasters while also reducing greenhouse gas emissions and increasing carbon sequestration to help mitigate climate change.

Recognizing the important role that conservation and watershed programs, including the Watershed Rehabilitation Program, the Watershed and Flood Prevention Operations Program, and the Emergency Watershed Protection Program, can play in addressing critical needs across the country, Congress provided much needed additional resources through the Bipartisan Infrastructure Law (BIL) as well as generational investments provided by the Inflation Reduction Act (IRA) to implement and quantify the impacts of climate-smart conservation. These additional funds will continue to support producers and communities in making long-term conservation and infrastructure investments that enhance natural resources, enable them to adapt to and mitigate climate change impacts, and support increase resiliency. At NRCS, we are working to meet the needs of our customers across the country and ensure effective and efficient implementation of these laws while building upon the investments contained in the 2018 Farm Bill. We are achieving this while wisely using the resources entrusted to us by the Congress to deliver on the President's promise to grow the economy from the bottom up and middle out.

Farm Bill Program Implementation

NRCS staff successfully implemented the programs and authorities provided under the 2018 Farm Bill and have continued to engage and support agricultural producers in ways that protect and enhance our shared natural resources.

NRCS administers a wide range of voluntary conservation programs to support private landowners. Most are authorized by the farm bill, including the Environmental Quality Incentives Program (EQIP), Conservation Stewardship Program (CSP), Agricultural Conservation Easement Program (ACEP), Conservation Innovation Grants (CIG), and the Regional Conservation Partnership Program (RCPP). These financial assistance and easement programs make it possible to implement the conservation plans that result from Conservation Technical Assistance (CTA) work.

NRCS also provides technical assistance, conservation planning, and support for conservation practice implementation for the Conservation Reserve Program (CRP) administered by USDA's Farm Service Agency (FSA). NRCS conservation programs are carried out through USDA's most extensive network of over 2,400 service centers providing direct assistance to individual farmers, ranchers, forest landowners, and other private landowners to restore and improve our natural resources. Key priorities for the implementation of these programs and practices are decided at the local level, with input from Local Working Groups and State Technical Committees, to ensure local needs are addressed through NRCS's voluntary programs.

NRCS provides technical assistance at no cost to the producers we serve with the goal of giving our customers personalized advice and information, based on the latest science and research, to help them make informed decisions. The CTA Program is NRCS's conservation planning program, helping to develop and deliver conservation technologies and practices to private landowners, conservation districts, Tribal Nations and other organizations. Through CTA, NRCS works with landowners and managers to develop conservation plans that outline the specific conservation activities to voluntarily conserve, maintain, and improve natural resources. CTA funding is also used to help agricultural producers comply with Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) compliance provisions, in addition to other Federal, state, Tribal, and local environmental regulations. Additional funds for technical assistance are provided as part of the financial assistance programs to assist producers in implementing conservation program contracts. NRCS also has a process for certifying Technical Service Providers (TSPs), non-government entities who can provide conservation assistance to producers and thereby expand NRCS's technical capacity. NRCS also enters into cooperative agreements with non-government partners who can further assist producers by providing technical assistance.

Environmental Quality Incentives Program (EQIP): In Fiscal Year (FY) 2022, NRCS enrolled 31,856 EQIP contracts providing over \$1.28 billion on 9.6 million acres. Additionally, through the EQIP Conservation Incentive Contracts option, offered in FY 2022 in all states, we enrolled 696 contracts providing \$50.5 million in conservation assistance.

Conservation Stewardship Program (CSP): In FY 2022, through CSP Classic, NRCS enrolled 5,332 CSP contracts providing over \$436 million on 9.5 million acres. Additionally, we renewed 2,628 CSP contracts on 3.3 million acres. Also, under CSP, in FY 2022, we enrolled 772 contracts on 48,884 acres in the CSP Grassland Conservation Initiative.

Regional Conservation Partnership Program (RCPP): In August 2022, NRCS announced new projects under the RCPP Classic and Alternative Funding Arrangement (AFA) components. \$197 million in new investments was announced for a total of 41 RCPP Classic and AFA projects. There are 400 active RCPP projects that have more than 2,000 partners.

Agricultural Conservation Easement Program (ACEP): During FY 2022, \$352 million was obligated to enroll 351 new ACEP easements totaling 181,115 acres. In FY 2022 NRCS closed 260 ACEP easements totaling over 109,449 acres. Additionally, we invested \$24.8 million in eight Wetland Reserve Enhancement Partnership projects to enable conservation partners to assist NRCS with acquiring and restoring private wetlands.

Conservation Innovation Grants (CIG): In FY 2021, NRCS awarded \$40 million to conservation partners for 37 new projects under the CIG program. These projects support widespread adoption and evaluation of innovative conservation approaches in partnership with producers and can address critical priorities including nutrient management, climate-smart agriculture, adaptation, and resilience to support drought related efforts. The Soil Health Demonstration Trial component of CIG focuses exclusively on conservation practices implementation and systems that improve soil health. For FY22, we invested \$40 million in 31 projects, which was announced on April 6, 2023.

Conservation Reserve Program (CRP): In FY 2022, NRCS provided conservation planning and technical assistance on over 5 million acres for over 64,000 new or renewed CRP contracts across the nation. Technical assistance includes, but is not

limited to, field visits to verify practice eligibility on the landscape, conservation planning, CRP practice survey and design, practice installation, operation and maintenance of practices and practice management. NRCS provides technical assistance for emergency use of CRP such as haying and grazing. NRCS is also working with the Farm Service Agency and selected partners to support CRP Monitoring, Assessment and Evaluation projects.

Conservation Compliance: In FY 2022, NRCS completed over 35,700 highly erodible land determinations and over 18,800 certified wetland determinations. NRCS also completed approximately 21,200 compliance status reviews in 2022.

Inflation Reduction Act (IRA) Implementation

The IRA represents the single largest investment in climate and clean energy solutions in American history. This is a historic, once-in-a-generation investment and opportunity for this country and for the rural and agricultural communities that USDA serves.

The IRA invests nearly \$20 billion in NRCS's oversubscribed conservation programs. These investments mean that more producers will have access to conservation assistance. This includes:

- \$8.45 billion for EQIP
- \$4.95 billion for RCPP
- \$3.25 billion for CSP
- \$1.4 billion for ACEP
- \$1 billion for CTA Program
- \$300 million to measure, evaluate, quantify carbon sequestration and greenhouse gas emission reductions from conservation investments

These additional funds are important investments for farmers, ranchers and private forest landowners to increase the resilience of their operations and implement mechanisms to quantify greenhouse gas emission reductions and increased carbon storage in the nation's soils and trees. These funds are on top of otherwise available program funding, and the voluntary, incentive-based approach is targeted to support climate mitigation.

We are working towards improvements on implementation based on feedback from our customers, partners, and employees. Staff are in the process of addressing the public comments and streamlining our programs to ensure they are easier and more accessible. A few examples are:

- Feedback from stakeholders included, but was not limited to:
 - Staffing Capacity—recommendations were made to strengthen and expand agency partnerships and increase technical assistance funds
 - Climate-Smart Practices—requests that the agency prioritize practices that provide the most co-benefits; expand scope of practices; prioritize indigenous communities; increase innovative practices, such as investment in technological advancements
 - Equity—requests that the agency remove or reduce match requirements for ACEP and RCPP for Historically Underserved landowners; improve the agency's application process; increase and improve agency engagement with Tribal communities; increase the visibility of advance payment options; continue to invest in land access for heirs' property owners and new and beginning farmers and ranchers
- Regional Conservation Partnership Program (RCPP)—the agency has several teams that are charged with developing a roadmap for a simplified and streamlined program, anticipated by fall 2023.
 - Some anticipated changes include:
 - One announcement covers farm bill funding (RCPP Classic and Alternative Funding Arrangements (AFA)) and IRA funding—up to \$500M.
 - Simplifies Technical Assistance language.
 - Streamlining workflow processes to reduce implementation timelines.
 - Additional flexibility for easements to use covered programs.
 - Emphasis on historically underserved producers and landowners.
 - Emphasis on locally-led projects with collaboration at the state level.
- Agricultural Conservation Easement Program (ACEP)—the agency is reducing implementation timelines for easement programs by improving streamlined

workflow processes, efficiency in appraisals and appraisal reviews, boundary survey timeline, expansion of eligible entity certification, and delegation of approval authority to the state office, which reduces the need for waivers.

- Measuring, Monitoring, Reporting and Verifying (MMRV)—To achieve the IRA quantification effort, the agency is forming strong collaborations between USDA and external partners to advance the quantification of greenhouse gas (GHGs) and carbon sequestration. This will improve the agency’s ability to quantify the benefits from conservation activities and track trends through the USDA GHG Inventory and Assessment Program.
 - Stakeholder engagement meeting is scheduled for May 11th to update them on agency progress.

NRCS is moving forward with FY 2023 implementation, while also continuing to further expand capacity for the years ahead. On February 13, 2023, USDA announced the availability of \$850 million in FY 2023 IRA funding for EQIP, CSP, ACEP and RCPP. Producers applying to implement climate-smart agriculture and forestry practices and systems through EQIP and CSP can now be funded through IRA, with sign-ups and priorities continuing to be set at the state and local level. Funding is provided through a competitive process and will also include opportunities to respond to unmet demand. For FY 2023, NRCS will prioritize ACEP Agricultural Land Easements (ACEP–ALE) for grasslands in areas of highest risk for conversion to non-grassland uses to prevent the release of soil carbon stores. NRCS will prioritize ACEP Wetlands Reserve Easements (ACEP–WRE) for lands that contain soils high in organic carbon. For both ACEP–ALE and ACEP–WRE, applications for the first round of the IRA funding cycle closed on March 17, 2023. The agency received 49 ACEP–ALE applications, with an estimated funding request of \$42,307,682 and 213 ACEP–WRE applications, with an estimated funding request of \$132,240,070. NRCS will expand options for ACEP in FY 2024 and beyond as the funding levels increase.

Option 1

NRCS plans to roll out the next RCPP funding opportunity this spring, which will include IRA funds for FY 2023. The announcement targets IRA funds to maximize climate benefits.

Other opportunities for agreements and partnerships at the state level will be announced for FY 2023 in the coming months, as state-level partnerships are a core component of expanding capacity and outreach to bring new participants in the door.

Option 2

NRCS recently announced the FY 2023 RCPP funding opportunity for up to \$500 million, for RCPP Classic and RCPP Alternative Funding Arrangements (AFA) this did include IRA funds. The announcement targets IRA funds to maximize climate benefits. The funding announcement included the first step in improving the RCPP program and ongoing efforts at USDA to streamline conservation programs.

To effectively implement the provisions of IRA, NRCS is developing strategies to expand capacity through hiring, target funding, streamline program delivery, leverage partnerships, advance equity, and quantify outcomes. As part of this effort, NRCS published a Federal Register Request for Information (RFI) in the Fall of 2022, requesting public input on various aspects of IRA implementation. Through the RFI, NRCS solicited feedback on how to maximize benefits for climate mitigation, streamline and improve program delivery to increase efficiencies, and expand program access for producers, especially underserved producers. NRCS utilized initial RFI feedback for FY 2023 and will continue to identify and adopt additional changes based on public feedback in FY 2024 and in future years.

Climate-Smart Agriculture and Forestry

NRCS is leveraging our conservation programs and tools to address climate change mitigation and adaptation, while continuing to take a comprehensive approach to natural resource conservation and ensuring that underserved and urban producers receive the support they need to meet their voluntary conservation goals.

Agriculture, forestry, and rural America are both uniquely affected by climate change and positioned to be a meaningful part of the solution. The Biden-Harris USDA, under Secretary Vilsack’s leadership, has embarked upon a department-wide effort to enact climate-smart agriculture, forestry, and rural clean energy policies that are voluntary, flexible, and led by producers. All along the way, NRCS is ensuring that science and rigorous monitoring underpin our work, and that underserved

communities and small- and medium-sized farmers participate in and benefit from this important department-wide effort.

We know voluntary conservation works, and we are committed to working with farmers, ranchers, forest landowners, and partners to leverage our resources to increase climate resilience, sequester carbon and reduce greenhouse gas emissions, enhance agricultural productivity, support rural economies, and maintain critical environmental benefits through voluntary conservation efforts. USDA's work on climate change is:

- Focused on partnerships—with agriculture, forestry, Tribes, businesses, and communities;
- Voluntary and incentive-based;
- Focused on creating new opportunities and markets for agriculture and forestry;
- Focused on ensuring rural America plays a key role in our transition to cleaner sources of energy;
- Leveraging and enhancing the quantification of climate mitigation benefits; and
- Farmer, rancher, and private forest landowner-led.

Climate-Focused Conservation Investments: Many of NRCS's existing practices have climate mitigation benefits, making them climate-smart agriculture and forestry practices. Working closely alongside our partners and those we serve, NRCS has been supporting the implementation of these practices within existing conservation programs to reduce greenhouse gas emissions and sequester carbon. Many of these mitigation practices also provide other environmental co-benefits as well as critical climate adaptation benefits to help agricultural producers make their operations more resilient to climate change. In 2022, NRCS:

- Invested \$197 million for 41 locally-led projects through the RCPP that address climate change, improve water quality, combat drought, enhance soil health, support wildlife habitat and protect agriculture;
- Announced \$35 million in funding through CIG to help agricultural producers adopt innovative conservation practices and mitigate the effects of climate change on their operations;
- Expanded the **EQIP Conservation Incentive Contracts** option to nationwide availability with a \$50.9 million investment, building on the \$10 million program pilot investment in 2021. Provided over \$309 million of **EQIP** funds for producers directly tied to climate-smart agricultural and forestry practices. Provided over \$192 million of **CSP** funds for producers directly tied to climate-smart agricultural and forestry practices. Provided \$8 million in regional projects to support and expand the **monitoring of soil carbon** on working agricultural lands and assess how climate-smart practices are affecting carbon sequestration;
- Invested up to \$12 million in partnerships that expand access to conservation technical assistance for livestock producers and increase the use of conservation practices on grazing lands through the **Grazing Lands Conservation Initiative**;
- Provided new opportunities to improve **nutrient management**, including through an initiative referred to as Act Now, which features an expedited application process for key conservation programs, a ranking threshold for pre-approval and a streamlined enrollment process. NRCS instituted outreach campaigns focused on the economic benefits of nutrient management and on the nutrient management planning process.
- Additionally, NRCS established new agreements with key partners who have existing capacity to support nutrient management planning and technical assistance.

As an example of the impact of our farm bill conservation programs on climate mitigation, EQIP and CSP together delivered more than 27 million metric tonnes of CO₂ equivalent (MMTCO₂e) in estimated emissions reductions in 2020. CTA, which provides our nation's farmers, ranchers and forestland owners with the knowledge and tools they need to conserve, maintain and restore the natural resources on their lands and improve the health of their operations for the future, has led to an additional 54 million metric tonnes of CO₂ equivalent reductions in 2020. USDA is continuing to expand our ability to measure, monitor, report on, and verify climate mitigation outcomes, including through additional investments provided through the Inflation Reduction Act.

In line with the whole-of-government approach to address climate change, NRCS also utilized its conservation programs in partnership with other Federal agencies to further its climate goals related to both mitigation and adaptation, including:

- Investing \$25 million as part of a collaboration with the Department of [the] Interior's (DOI) **WaterSmart Initiative** to help farmers and ranchers in three new priority areas and 37 existing priority areas conserve water and build drought resilience in their communities, assisting communities and producers in 12 Western states. This builds on a \$21 million investment in FY 2021;
- Announcing over \$1 billion in disaster relief funds for **post-wildfire and hurricane recovery** with the Forest Service through 41 projects, including 17 new projects, that will bring together agricultural producers, forest landowners, and national forests and grasslands to improve forest health using available farm bill conservation programs and other authorities;
- Supporting new **Sentinel Landscapes** to strengthen military readiness and address climate change and other natural resource challenges together with Department of Defense (DOD) and Department of [the] Interior (DOI);
- Contributing to the **Drought Resilience Interagency Working Group** to improve drought-stricken communities' longer-term resilience to drought through financial and technical assistance; and
- Through the **Joint Chiefs' Landscape Restoration Partnership** NRCS and Forest Service funded 14 new projects in FY 2023 and awarded funding towards 25 existing projects. This continued partnership builds upon Fiscal Year 2022 investment of more than \$48 million (\$18 million of which was from NRCS and \$30 million from the Forest Service), for projects that will mitigate wildfire risk, protect water quality, improve wildlife habitat, restore forest ecosystems and ultimately contribute to USDA's efforts to combat climate change. Staff are currently working with Forest Service on solicitation for FY2024 projects.

Adaptation and Resilience: NRCS is implementing the NRCS Climate Change Adaptation Plan, released in 2022, which identifies key actions for addressing climate change vulnerabilities within NRCS's mission, operations, and infrastructure. We will continue to improve the climate literacy of staff throughout the agency, as we did with 23 tailored "Climate Conversation" training sessions delivered in partnership with the USDA Climate Hubs, a series of Regional Climate Town Halls for all national, state, and field staff, and ongoing contributions to the Climate Hubs and continued support for resource and tool development in 2023. In addition, we are working to improve science and technology for understanding, measuring, and tracking climate-related impacts and outcomes of NRCS practices and programs. This includes actively working with subject area experts to evaluate and update the list of climate-smart mitigation activities as needed.

Bipartisan Infrastructure Law Implementation

The BIL is a historic piece of legislation that allows NRCS to address a broader portfolio of priority watershed needs across the nation and U.S. Territories. BIL provided \$918 million for Watershed Programs administered by NRCS, including \$118 million for the Watershed Rehabilitation (REHAB) Program, \$500 million for the Watershed and Flood Prevention Operations (WFPO) Program, and \$300 million for the Emergency Watershed Protection Program (EWP). REHAB helps project sponsors rehabilitate aging dams that are reaching the end of their design lives and/or no longer meet Federal or state standards. NRCS provides technical and financial assistance to local project sponsors to rehabilitate aging dams that protect lives, property, and infrastructure. WFPO helps units of Federal, state, local and Tribal governments (project sponsors) to protect and restore watersheds up to 250,000 acres. NRCS offers financial and technical assistance through this program for erosion and sediment control; watershed protection; flood prevention; water quality improvements; rural, municipal and industrial water supply; water management; fish and wildlife habitat enhancement; and hydropower sources. EWP offers vital recovery options for local communities to help people reduce hazards to life and property caused by major storms, wildfires, floods, and other natural disasters. Through this program, NRCS provides technical and financial assistance to state, local, and Tribal governments for flooding and erosion protection that threaten life and property.

In implementing BIL, NRCS has prioritized providing ongoing relief to communities impacted by severe weather events such as wildfires, floods, hurricanes, and other natural disasters. NRCS has also prioritized carrying out projects in limited resource areas or for underserved communities, including Tribal communities, where there is a severe need for watershed infrastructure to protect entire communities from floods, natural disasters, and other watershed-related resource concerns.

By the end of FY 2022, NRCS had invested a total of \$803 million of BIL funds into watershed programs. \$589.5 million of these funds went to 240 projects in 39 states for WFPO and REHAB. \$213.7 million of these funds went to 26 EWP projects, which included \$133 million of BIL funding to cover 100 percent of the cost of post-wildfire recovery efforts in communities impacted by the Hermits Peak and Calf Canyon wildfire in New Mexico. NRCS, in cooperation with local sponsors, will use EWP program BIL funds to implement much-needed aerial seeding—a successful post-wildfire conservation practice that helps reduce soil erosion, restore ground cover and establish native plant species.

Drought

Producers around the country experienced drought in the last year. This is especially a challenge in the western United States. Water supply in sufficient quantity and quality is declining in many areas of the West as it is increasingly threatened by growing demand and the impacts of climate change. Declining water supply threatens working land resources that sustain agricultural productivity and environmental quality in these areas. These interrelated threats increase challenges encountered by water resource managers and producers, but also increase the importance for NRCS to deliver conservation assistance where it can make a greater impact.

For this reason, NRCS has developed the Western Water and Working Lands Framework (Framework) for Conservation Action, which will support NRCS leaders across 17 western states in collaborating with partners and effectively delivering conservation assistance to address priority issues related to water. This is based off a landscape approach and other frameworks that NRCS has developed in recent years, including the Great Plains Grasslands Biome Framework, the Sagebrush Biome Framework, the Northern Bobwhite, Grasslands, and Savannas Framework, and the Landscape Conservation Initiative. NRCS released the Western Water Framework on February 13, 2023. The Framework identifies six major management challenges related to Western water conservation:

- Forecasting water supply
- Sustaining agricultural productivity
- Protecting groundwater availability
- Protecting surface water availability
- Managing and restoring rangelands and forestlands
- Responding to disruptions from catastrophic events

The Framework also identifies available NRCS programs and resources to address these challenges, including data collection and forecasting of water supplies, disaster recovery assistance, efficient water use like precision agriculture, or supporting landscape and watersheds across the Department's climate-smart agriculture work. For example, NRCS uses EQIP funds to help farmers and ranchers implement practices that conserve scarce water resources, reduce wind erosion on drought-impacted fields and improve livestock access to water. EQIP assistance may also be available for emergency animal mortality disposal from natural disasters and other causes.

While we look at immediate relief and flexibilities that producers need in the short term, we are also addressing drought resilience and asking hard questions about the programs, tools and authorities NRCS may need to appropriately assist producers navigating drought and climate change in the future.

Additionally, many public and private sector organizations have technical or financial resources to help address water and land resource management challenges. Although NRCS does not establish water allocation policies or regulate water or land resources, NRCS does coordinate with local, state, and Federal, and Tribal partners to ensure that voluntary conservation actions are considered in such decisions. NRCS uses a locally-led model to direct agency resources to vulnerable areas where those resources will address community priorities and have a greater impact.

The 2018 Farm Bill provided NRCS with multiple new avenues for addressing drought. Through the EQIP, NRCS may now provide direct program assistance to water management entities such as irrigation districts, acequias and other public or semi-public entities for the purposes of improving water use efficiencies. The 2018 Farm Bill also created the new Conservation Incentive Contracts option within EQIP to address high-priority conservation and natural resources concerns, including drought. Through up to 10 year contracts, producers manage, maintain and address important natural resource concerns and build on existing conservation efforts. In addition, NRCS utilizes waivers as needed to assist producers who are dealing with natural disasters; often, these waivers allow actions that would otherwise

be prohibited to support practice implementation, such as allowing producers with applications to install practices prior to contracting.

NRCS is also coordinating across USDA and other Federal agencies to ensure effective collaboration to address drought. As noted above, NRCS is investing \$25 million as part of a collaboration with the Department of [the] Interior's (DOI) WaterSmart Initiative to help farmers and ranchers in three new priority areas and 37 existing priority areas conserve water and build drought resilience in their communities, assisting communities and producers in 12 Western states. This builds on a \$21 million investment in FY22.

Equity

USDA is committed to advancing equity across our systems, processes, and policies. The President's issuance of Executive Order on Advancing Racial Equity and Support for Underserved Communities paved the way for USDA to meaningfully listen to internal and external stakeholders, understand where barriers to accessing USDA programs and services exist. NRCS is taking deliberate, bold, and historic action to dismantle barriers to equity, justice, and equal opportunity in agency programs and policies.

NRCS is committed to sustaining a culture that operates with core values of equity, justice, and equal opportunity for all. In 2022, NRCS released its *Equity Action Plan*. The NRCS Equity Action Plan provisions set forth a well-defined framework to meet the agency's equity objectives. The NRCS Equity Action Plan was developed using a framework to advance equity in the culture of NRCS and a commitment to institutional transformation. The plan describes five strategic goals for NRCS:

1. Organizational Capacity for Equity
2. Equity Toolkits
3. Equity and Inclusion Data
4. Equity and Inclusion Partnerships
5. Operationalize Equity

NRCS is investing in this plan. In 2022, we awarded \$50 million in Equity Conservation Cooperative Agreements through 118 partnerships to support underserved farmers and ranchers with climate-smart agriculture and forestry. NRCS recently announced the availability of up to \$70 million in funding for Equity Conservation Cooperative Agreements, and these partnerships will be instrumental in expanding access to our farm bill conservation programs for underserved producers. We are also continuing to identify and eliminate barriers within our programs to expand access.

NRCS is also making progress towards accomplishing the Biden-Harris Administration's Justice40 initiative to have 40 percent of the overall benefits of Federal investments in covered programs supporting underserved communities, which is a key piece of NRCS's Justice40 plan for reducing barriers to program participation. Based on feedback from producers, communities, and organizations, NRCS updated its forms to streamline procedures and improve clarity, including applications, applying for multiple programs, and practice approval. NRCS's Act Now Policy also helps to streamline the application process, particularly for underserved producers, by providing an opportunity for states to identify ranking pools and establish a ranking threshold at or above which they can automatically pre-approve an application for funding and move to contract obligation quickly.

Another aspect of NRCS's plan was to develop a methodology for geographically targeting underserved communities. To that end, NRCS developed geospatial data layers for internal use that include multiple datasets addressing priorities for equity, climate change, and urban agriculture to guide programmatic decision-making at national, regional, and state levels.

Additionally, each NRCS State Office has been directed to appoint and maintain an Outreach Coordinator in order to increase the agency's ability to provide localized, strategic outreach to communities that NRCS has not previously served, or which may not be visible at the national level.

To address concerns of Tribal Nations and Tribal producers, NRCS has published policy on Alternative Funding Arrangements (AFAs) under EQIP and CSP. AFAs provide Tribal Nations and Alaska Native Corporations with additional flexibilities for funding, planning, and administration where existing processes created barriers to program participation. Additionally, NRCS is developing systems to assure that indigenous knowledge better informs NRCS standards and program opportunities.

Urban Agriculture

NRCS supports conservation everywhere, regardless of location or size of the agricultural operation. This includes urban agriculture and innovative forms of controlled environment agriculture, including hydroponics, aquaponics, and rooftop production. USDA views supporting these operations as an important part of engaging the next generation of agricultural producers and living up to USDA's commitment to equitably support all producers. As agricultural production methods evolve, NRCS is working to innovate its programs and policies within the current legislative bounds in order to best meet customer needs.

Examples of this innovation include the creation of over 50 new payment scenarios and interim practice standards, clarification on EQIP eligibility in small-scale and innovative settings, and NRCS staff training focused on the reduction of barriers to participation of urban and innovative producers in NRCS programs.

The Office of Urban Agriculture and Innovative Production (OUAIP) hired a permanent director last year and now has 6 full-time staff and several detailees. OUAIP has awarded over \$55 million to date and has given awards in 45 states and Puerto Rico. In FY22, OUAIP awarded approximately \$44 million through its funding opportunities, Urban Agriculture and Innovative Production grants and Composting and Food Waste Reduction cooperative agreements, as well as through the People's Garden Initiative, thanks to funding from the American Rescue Plan.

The Federal Advisory Committee for Urban Agriculture and Innovative Production (FAC) held its fifth public meeting on April 18th. The FAC is currently drafting recommendations for the Secretary on how USDA can better support urban and innovative producers.

Additionally, to further demonstrate USDA's commitment to serving these producers, NRCS and FSA have jointly committed to opening brick and mortar urban service centers in 17 cities throughout the United States. These service centers will offer urban and innovative producers the full suite of applicable USDA programs and services and bring our employees closer to this expanding customer base.

Conclusion

NRCS's accomplishments would not be possible without our more than 10,000 employees in every state and territory across the country. Agency employees work to connect with farmers, ranchers, forestland owners, Tribes, and partners to implement our many programs and initiatives. I am honored to lead so many dedicated conservationists. I appreciate Congress's continued support for NRCS and our work to combat climate change, address drought, ensure equity, and support voluntary conservation on working lands. Thank you for the opportunity to submit written testimony.

The CHAIRMAN. Thank you, Mr. Cosby. We appreciate you being here. Our second and final witness for today's hearing is Mr. Zach Ducheneaux, the Administrator of USDA's Farm Service Agency. And, sir, you may begin at any time that you are ready. You have 5 minutes.

STATEMENT OF ZACH DUCHENEUX, ADMINISTRATOR, FARM SERVICE AGENCY, U.S. DEPARTMENT OF AGRICULTURE, WASHINGTON, D.C.

Mr. DUCHENEUX. Thank you, Chairman Baird, Ranking Member Spanberger, Chairman Thompson, and distinguished Members of the Committee. It is always an honor and a privilege to appear here in front of this body as your Administrator. I have been your administrator for 2 years, 3 months, and 2 days, and every day I welcome another opportunity to improve outcomes for our producers all across the country. And I have said many times over, anybody that doesn't want this job probably shouldn't be in it. I love my job. I am glad to be able to work with you all.

Ranking Member Spanberger, I appreciated the opportunity to learn from your producers in that stakeholder session, and we took some of those lessons to heart, and took them back to the office, and went to work. Chairman Baird, Members, I look forward to op-

opportunities to visit with your stakeholders out there in the countryside, because that is where we are really going to get the best input about our programs, finding out from the producers exactly where the rubber meets the road, and I look forward to opportunities to do that in the future, and I will have our staff keep in touch with you about where we are going to be in the countryside in case we have a chance to get together.

Our conservation programs really fall in two to three different buckets. First is our Conservation Reserve Program, and that is our largest private lands conservation program, one of the largest in the United States. And through CRP we pay an annual rental rate to producers on a voluntary basis to engage in conservation measures that help preserve soil health and improve soil health for the future, improve wildlife habitat, and give them another option as they contemplate the economic realities of being an ag producer in this country. We look forward to the opportunities to have conversations about what that program might hold in the future with you all, but I want to share some of the adjustments we have made, and the impacts that those adjustments have had.

Producers can participate in one of three aspects of the CRP Program. That is our General Signup, our Grassland Signup, and our Continuous Signup. Last year 5.1 million acres total entered into CRP through our various signups, surpassing the 3.9 million acres that exited the program, so we had a net gain of a little over a million acres. While the grassland signup is currently ongoing and open, closes Friday, we have received over 15,000 acres, covering one point—15,000 offers, covering 1.1 million acres for general signup for CRP. We are currently in the deliberation process to decide how many of those papers will generate contracts.

The 2018 Farm Bill established a rising acreage cap for CRP that tops out at 27 million acres this year, and when we came to town, we saw that as a target. We took the intention of Congress seriously that we should meet those conservation goals, and we have been doing our best to ensure that we are getting producers the opportunity to enroll that amount of acreage in these programs. Secretary Vilsack gave us a charge to increase producer interest in enrollment, so we made some adjustments to the soil rental rates where data supported such an adjustment, increased payment for practice incentives, and increased payment for water quality practices. We also added a climate-smart practice incentive for CRP general and continuous signups to better leverage this program for positive climate outcomes.

Additionally, we updated grassland CRP last year to re-establish a minimum rental rate of \$13 per acre, which has driven record enrollment in that program for each of the last 2 years. We have made significant strides through our work to expand access in the Conservation Reserve Enhancement Program based on the flexibilities afforded to us by Congress in the 2018 Farm Bill, which allows more locally-led partnerships in conservation programs. We are leveraging that especially in the West to some of our underserved communities. Three Tribal Nations have enrolled in Conservation Reserve Enhancement Program. I had a chance just last week to visit the Colorado CREP, where we are working with producers in the Republican River Basin to help them transition away from irri-

gation into non-irrigated cropping in order to maintain their working lands, but also save the draw on the Ogallala Aquifer, which is so important to much of our producers across the Midwest.

As I close my testimony, I want to share my gratitude for the leadership and the expertise of our Conservation Division, some of whom are in the room with us, and our staff at headquarters, and the 10,000 employees that we have all across the country. Without them on the front line deploying these programs, engaging with our producers, sharing feedback from our producers, we would not be able to continue to make these improvements and enhancements to the authorities that are granted to us by Congress. I look forward to the conversation that we get to have today as we talk about crafting a new farm bill, and the work we have done to implement the 2018 Farm Bill. Thank you for your time. I look forward to your questions.

[The prepared statement of Mr. Ducheneaux follows:]

PREPARED STATEMENT OF ZACH DUCHENEUX, ADMINISTRATOR, FARM SERVICE AGENCY, U.S. DEPARTMENT OF AGRICULTURE, WASHINGTON, D.C.

Introduction

Chairman Baird, Ranking Member Spanberger, and distinguished Members of the Committee, it is an honor and privilege to appear before you today. To those who I have not yet had the pleasure of meeting, my name is Zach Ducheneaux, and since February of 2021, I have served as the Administrator of the U.S. Department of Agriculture's, Farm Service Agency (FSA). Prior to starting this job, I was a third-generation rancher on my family's ranch on the Cheyenne River Sioux Reservation.

I have had the opportunity to visit with many of you in past hearings, and I am grateful to have the opportunity to be with you today to share FSA's vision to strengthen and expand access to our conservation programs. These programs play a vital role in improving producers' economic viability while also giving them better tools to invest in the long-term health and sustainability of their land.

FSA's Conservation Division oversees several voluntary programs that protect our drinking water, reduce soil erosion, preserve wildlife habitat, restore forests and wetlands, and improve soil health for future generations. Key FSA conservation programs also support producers whose operations are damaged by natural disasters.

I have always appreciated FSA's commitment to voluntary, producer-led, working lands conservation, and I am committed to maintaining those pillars of our conservation programs. At the same time, FSA has a unique opportunity to expand and improve these programs to bring in new and diverse partners and better empower our producers to tackle the climate crisis and build more resilient operations. The changes FSA has made and the changes we continue to pursue are focused on giving producers more opportunities to invest in the long-term well-being of their natural resources.

In my testimony today, I'd like to highlight some of our conservation programs, along with some of the updates and improvements our Administration has implemented over the past 2 years.

Farm Bill Program Implementation

The Conservation Reserve Program (CRP) is one of the largest private lands conservation programs in the United States. Through CRP, the FSA pays producers a yearly rental payment in exchange for removing environmentally sensitive land from agricultural production and planting species that will improve environmental quality. The long-term goal of the program is to reward producers who re-establish valuable land cover, which in turn helps improve soil health and water quality, prevents soil erosion, and reduces the loss of wildlife habitat. Contracts for land enrolled in CRP are typically from 10 to 15 years in length.

There are several ways agricultural producers and landowners can participate in CRP, including through our General Signup, our Grassland CRP, and our Continuous CRP. Last year, FSA accepted more than 2 million acres through the General Signup, more than 3.1 million acres through the Grassland Signup, and more than 877,000 acres through the Continuous CRP Signup, resulting in about 5.1 million acres entering the program, surpassing the 3.9 million acres that exited the program.

The 2018 Farm Bill established a rising acreage cap for CRP, setting the cap at 25 million acres in 2021, 25.5 million acres in 2022, and 27 million acres in 2023. Despite Congress' work to raise these enrollment targets in the farm bill, in 2021, FSA faced decreasing enrollment due to a variety of factors. At the direction of Secretary Vilsack, FSA has prioritized increasing access to CRP and strengthening the climate benefits of the program through several changes, which have now put the program on an upward trajectory and helped bring participation into closer alignment with the caps established by Congress.

To increase producer interest and enrollment, FSA adjusted soil rental rates where data supported such an adjustment, increased payments for practice incentives, and increased payments for water quality practices. We also added a Climate-Smart Practice Incentive for CRP general and continuous signups to better leverage this program for positive climate outcomes, including carbon sequestration. Climate-Smart CRP practice incentives involve the establishment of trees and permanent grasses, the development of wildlife habitat, and wetland restoration. The Climate-Smart Practice Incentive is an annual payment based on the benefits of each practice type.

Additionally, we established a grassland CRP minimum rental rate. The grassland CRP program helps landowners and operators protect grassland, including rangeland, pastureland, and certain other lands, while maintaining the areas as working grazing lands. FSA updated the grassland CRP signup in Fiscal Year 2022 to establish a minimum rental rate of \$13 per acre that increased rental rates in 1,047 counties across the country. FSA also established National Grassland Priority Zones—the Greater Yellowstone Migration Corridor and Dust Bowl Zone—that aim to increase enrollment of grasslands in migratory corridors and environmentally sensitive areas. Last year, FSA expanded the Greater Yellowstone Wildlife Migration Corridor Priority Zone to include seven additional counties across Montana, Wyoming, and Idaho, to help protect the big-game animal migration corridor associated with Wyoming elk, mule deer, and antelope.

FSA's improvements to Grassland CRP have yielded rapid results. Last year's Grassland CRP signup was the largest Grassland signup ever. That record-breaking signup and continued growth and interest in Grassland CRP demonstrates that conservation priorities and agricultural productivity not only have the capacity to coexist, but also to complement and enhance one another. Additionally, as part of FSA's Justice40 efforts, underserved producers and landowners, including beginning farmers and military veterans, were able to receive 10 additional ranking points to enhance their Grassland CRP offers. FSA accepted offers covering more than 1.9 million acres from more than 5,000 underserved producers, about 87 percent of those who submitted applications.

This year's Grassland signup concludes in a few days on May 26. As part of the 2023 Grassland signup FSA is providing limited resource producers 20 additional points to enhance their offers. These ranking point incentives will continue helping small-scale operators and landowners find an entry way into the program. Also, with this signup, certain land enrolled in USDA's Natural Resources Conservation Service's (NRCS) Environmental Quality Incentives Program (EQIP) is eligible for enrollment in Grasslands CRP. This is significant because producers can take advantage of a greater suite of conservation practices tailored toward managing the rangeland enrolled in Grasslands CRP.

Haying and grazing of CRP acres enrolled under General and Continuous CRP is authorized under certain conditions to improve the quality and performance of the CRP cover or to provide emergency relief to livestock producers due to natural disasters. There are two types of haying and grazing authorizations: emergency and non-emergency. Emergency haying and grazing of CRP acres may be authorized by FSA to provide relief to livestock producers in areas affected by severe drought or other natural disasters. During the 2022 program year, 1,633 counties became eligible for CRP emergency haying and grazing.

Through CRP, producers can also enroll land in FSA's Farmable Wetlands Program (FWP). FWP is designed to restore previously farmed wetlands and wetland buffers to improve both vegetation and water flow. FWP is a voluntary program to restore up to 1 million acres of farmable wetlands and associated buffers. Participants must agree to restore the wetlands, establish plant cover, and to not use enrolled land for commercial purposes. Plant cover may include plants that are partially submerged or specific types of trees. FSA runs the program through CRP with assistance from other government agencies and local conservation groups.

Additionally, FSA announced efforts to enhance natural resource benefits through CRP by moving State Acres for Wildlife Enhancement (SAFE) practices from general and back to the continuous CRP signup. Producers can enroll year-round under continuous signup and be eligible for additional incentives. FSA also made Highly

Erodible Land Initiative (HELI) practices available in both the general and continuous signups.

Notably, we also saw benefits from the expansion of both the Soil Health and Income Protection Program (SHIPP), which was a pilot program FSA implemented in 2021, and the Clean Lakes, Estuaries and Rivers initiative (CLEAR30), another pilot that has now expanded from twelve states in the Great Lakes and Chesapeake Bay watershed to all states and Territories, allowing producers nationwide to enroll in 30 year CRP contracts for water quality practices. CLEAR30, another a voluntary, incentive-based conservation program offered by FSA, is currently open for signup through July 31. This signup allows producers and landowners enrolling certain water quality practices to extend the lifespan and strengthen the benefits of important water quality practices on their land.

FSA also continues to invest in the CRP Monitoring, Assessment, and Evaluation (MAE) program. FSA has kick-started much-needed work to evaluate and quantify conservation benefits of its programs to inform program design and implementation. In 2022, FSA dedicated significant resources toward measuring and monitoring the climate impacts of conservation practices. In a series of multi-partner projects that involve minority serving institutions, FSA is enlisting skilled technical experts in a field-scale measurement, monitoring, and reporting initiative to quantify carbon sequestered and greenhouse gases reduced on land enrolled in CRP. In addition to these field-scale measurement projects, FSA has also invested substantial MAE resources in partnerships with organizations serving underserved producers to better understand how targeted outreach and engagement can help these producers better access and benefit from CRP. For example, MAE resources are supporting a mixed methods study led by the University of Georgia and a variety of partners, including the Southwest Georgia Project, the Eastern Band of Cherokee Indians, the Sustainable Forestry and Land Retention Program, Florida A&M University, Alcorn State University, Alabama A&M University, and other minority-serving organizations. This study is focused on understanding existing barriers to entry into the CRP program for underserved producers and landowners and will assess strategies to increase these landowners' participation.

The last component of CRP that I'll highlight is the Conservation Reserve Enhancement Program (CREP). CREP is a partnership program that targets specific significant conservation concerns in particular geographies, and Federal resources are supplemented with non-Federal resources to address those concerns. In exchange for removing environmentally sensitive land from production and establishing resource-conserving plant species, farmers and ranchers are paid an annual rental payment along with other Federal and non-Federal incentives, as applicable per each CREP agreement. Participation is voluntary, and the contract period is typically 10–15 years.

Through CREP, for the first time, three Tribal Nations are partnering with USDA to help conserve, maintain, and improve grassland productivity, reduce soil erosion, and enhance wildlife habitat. The Cheyenne River, Oglala, and Rosebud Sioux Tribes have entered into CREP agreements with FSA to enroll eligible grassland, pastureland, and other agricultural lands within the boundaries of their reservations in this conservation program. The CREP agreements authorize enrollment of up to 1.5 million acres by the Cheyenne River Sioux Tribe, up to 1 million acres by the Oglala Sioux Tribe, and up to 600,000 acres by the Rosebud Sioux Tribe. These CREP agreements reflect the priorities and goals of USDA to broaden the scope and reach of its voluntary, incentive-based conservation programs to engage underserved communities. Looking ahead, FSA is focused on continuing to explore innovative CREP agreements with states, Tribes, and non-governmental organizations to build new partnerships, particularly in underserved communities.

USDA has made significant improvements to CREP to reduce barriers and make the program more accessible to a broad range of producers and new types of partners. In direct response to feedback from state agencies, Tribes, nonprofits and other groups, USDA has updated CREP's rule regarding matching fund requirements, and invested in additional staff to work directly with partners for streamlined, partner-driven conservation efforts. A December 6, 2019, rule required that 50% of matching funds from partners be in the form of direct payments, which made it more difficult for many groups to participate as partners in CREP. With the December 13, 2021, rule change, partners can now provide their negotiated level of matching funds in the form of cash, in-kind contributions, or technical assistance. This change allows for greater flexibility and opportunity for additional partners to participate in the program.

The rule also updated policy to allow for a full annual rental payment to producers who are impacted by state, Tribal or local laws, ordinances and regulations that require a resource conserving or environmental protection measure. The pre-

vious rule reduced the rental payment made to producers who were affected by such laws.

Most recently through CREP, FSA utilized flexibilities provided by the 2018 Farm Bill to offer dryland crop production on eligible cropland in the Colorado Republican River basin. The newly revised Colorado Republican River CREP project, now available through the FSA and the Colorado Department of Water Resources, will give producers meaningful tools and the necessary technical assistance to keep working lands working, all while successfully transitioning away from irrigated production and taking critical steps to conserve the Oglala Aquifer into the future. FSA is deeply grateful for the State of Colorado's commitment to not just reaching an agreement, but reaching the right agreement and strengthening a long-term partnership that will support voluntary, producer-led, climate-smart agriculture and land management for generations to come.

FSA also offers meaningful support for landowners with expiring CRP contracts through the Transition Incentive Program (TIP), which is authorized under the 2018 Farm Bill at \$50 million for Fiscal Years 2019 through 2023. TIP offers assistance for landowners and operators, along with opportunities for beginning and socially disadvantaged farmers and ranchers. It provides landowners or operators with up to two additional annual rental payments on land enrolled in expiring CRP contracts, on the condition they sell or rent this land to a beginning farmer or rancher or to an underserved producer. New landowners or renters must return the land to production using sustainable grazing or farming methods.

Next, I'll discuss FSA's Emergency Conservation Program (ECP). This program provides funding and assistance to help farmers and ranchers repair conservation structures, recover damaged farmland, and install methods for water conservation following natural disasters, including chronic disasters like severe drought.

In response to the 2021 drought, FSA expanded its policies to allow financial assistance to livestock producers for portable pumps used to temporarily pump water from available sources. This allowed producers to continue grazing activities when water sources were not safely accessible by the livestock. In Fiscal Year 2022, FSA allocated a total of \$171.5 million in ECP funds to assist producers in response to weather-related disasters, and has funding available to address existing disasters. We will continue to closely monitor funding levels to ensure needs can be met for future disasters.

In response to fires in 2022, FSA updated its regulations to begin allowing producers who lease federally-owned or managed lands, including Tribal trust land, as well as state land, the opportunity to participate in ECP. FSA has now made advance payments available—up to 25% of the cost—for all ECP practices before the restoration is carried out, an option that was previously only available for fence repair or replacement.

FSA also administers the Emergency Forest Restoration Program (EFRP). This program assists owners of non-industrial private forests to restore forest health damaged by natural disasters. In Fiscal Year 2022, FSA allocated a total of \$44.5 million in EFRP funds to assist forest landowners in response to weather-related disasters and has \$215 million available to provide assistance to aid producers in recovering from natural disasters.

Recently, Congress authorized FSA to pay 100% of the ECP and EFRP cost for damage associated with the Hermit's Peak/Calf Canyon Fire in New Mexico. ECP and EFRP cost-share assistance is typically capped at 75%. The flexibilities provided by Congress are helping provide critical assistance to producers as they work to rebuild their operations and infrastructure.

Following widespread damage occurring due to disasters, FSA has also expedited the process for completing environmental assessment of practices and restoration activities that will not result in ground disturbance, or disturbance "above the plowline." By streamlining the environmental compliance process for farm and forestland restoration, while maintaining the integrity of these critical processes, FSA has been able to approve applications for assistance in a more timely manner.

Last, along with its partner, the National Rural Water Association, FSA also administers the Grassroots Source Water Protection Program. Acting through local organizations (rural water authorities), this partnership helps prevent pollution of surface and groundwater used as the primary source of drinking water by rural residents. Technicians from rural water authorities work with FSA and county office staff and with specialists from the USDA's NRCS to implement projects. In the 2022 program year, 114 source water plans with management activities were implemented in the source water areas and 12,380 hours of on-site source water-related technical assistance was provided. These recent source water plans provide protection measures for 426 public drinking water sources (393 wells and 33 surface water

intakes). In FY 2022 and FY 2023, aspects of the Grassroots Source Water Protection Program were implemented in all states.

In addition to these programs, FSA continues to work with participants in administering a variety of farm bill conservation programs that have sunset. Even when an authorization shifts, the job of supporting farmers with long-term contracts remains for FSA and county office employees to maintain the investments made at the farm, ranch and forest level for the life of the participant contract.

Conclusion

Agricultural producers are the original conservationists, and conservation is an integral part of the work we do at FSA. We are focused on weaving conservation values into the DNA of all our programs, old and new, so that as our agricultural communities face more frequent and intense climate-induced disasters, we are better prepared to provide both relief and economic opportunity for continued conservation. I am grateful for our staff across the country, who are working every day to make these programs work for the producer, I am also grateful for the leadership and expertise of FSA's Conservation Division, and our staff in Headquarters. We value the tools and authorities that this Committee has provided FSA so that we can better serve every farmer, rancher, and forest owner. We look forward to supporting the efforts of the Committee as they craft a new farm bill and I welcome your questions.

Thank you.

The CHAIRMAN. Thank you for your testimony. I appreciate you being here. At this time the Members will be recognized for questions in order of seniority, alternating between Majority and Minority, and in order of arrival for those who joined us just after the hearing convened. You will be recognized for 5 minutes each in order to allow us to get to as many questions as possible. And the first individual that I might turn it over to is Chairman "GT" Thompson. Do you have questions that you would like to do?

Mr. THOMPSON. Sure, Mr. Chairman, thank you very much. Once again, gentlemen, thank you for your leadership. Thanks for joining us here today. Much appreciated. This is important, that we work together on these programs, when it comes to the conservation programs, and, quite frankly, everything under the USDA jurisdiction, and under the responsibilities that we take very seriously with the Agriculture Committee.

Our conservation programs are—we know some of them are significantly oversubscribed. I think it was EQIP, the year 2020, we exhausted, and we put significant funding into this, but the demand for it is huge. I think there were 80,000–90,000 contracts that we couldn't do anything with. As a result of that, we put forward the SUSTAINS Act (H.R. 2620, 117th Congress), that passed unanimously out of this Committee in December and became law (Pub. L. 117–328), creating that public-private partnership for USDA to be able to fund additional conservation. So, that said, can you share with us, where is the Department in using this new authority across USDA conservation programs?

Mr. COSBY. Sir, yes. We have been taking a look at this, and we have several teams that are working at USDA to look at this new authority and try to see how it best fits with the work that we are doing across the conservation family. And those teams are working right now, and hopefully we are going to be gaining a lot of information from the work that the teams are doing to see what authority we have. And, when we talk about accepting money from the outside or from the public, how does that fit into what we are already doing, and how will it fit? And so, we are working also with our attorneys, OGC, to figure out how can we do this? And so we

are currently working on that, and looking at it, and hopefully we will be able to report back more work on that in the near future.

Mr. THOMPSON. Well, Chief, I look forward to that. Let us not let bureaucracy kill that. You have the authority. President Biden signed that into law. We put a great deal of work into this, and we expect that this will be administered according to the intent of Congress, which our intent is to benefit the American farmer, with expanded opportunities in the conservation space. So we appreciate you keeping us informed. We will probably be staying in—absolutely—will be staying in contact with you as this is developed to make sure that we are doing this in a timely manner, but, quite frankly, also one that we stay within the lane of Congressional intent.

One of the most successful programs in the conservation title that Congress has authorized in the past 20 years is the Regional Conservation Partnership Program. It combined all these regional programs into one program that allows you to leverage funding with the private-sector to address specific resource concerns. And a question I have is what has happened? The program seems mired now with administrative burdens that make it difficult for people to access. And does the Administration have a plan to fix this program, either through administrative or, quite frankly, legislative fixes that continues the principles of a partnership within NRCS? How specifically does RCPP get fixed?

Mr. COSBY. Sir, we are pretty excited about RCPP. I had the opportunity to work on the first one out of the gate in the 2014 Farm Bill in Ohio, Michigan, and Indiana. It was about \$20 million, and we were very successful there. And over time it has changed, but I am here to tell you today that, with all of the work that we have done on our RCPP, we are pretty excited. We put a NOFO out this last Friday on RCPP, about \$500 million, and the team has done a great job. We had several listening sessions, one in person, two virtual, and we had over 400 comments back from our stakeholders and our partners on RCPP, and it kind of fell into seven different buckets. And I won't go through all of those, but we heard them, we understand it, and we have seven teams now that are working through that process, and we have been able to put some of those into the new NOFO that was put out last Friday.

And a couple of them, we need to simplify our TA. How does that work? How does the Department use the TA authority that we have, and how do they do that? Twenty-five percent of that can be used for technical assistance. How do you do that negotiation? We have looked at that. And the portal was another one. We are simplifying it so that the customer does not have to touch that very often. And, if we need more information there, then staff will have to do that.

The third we heard was that our staff was not knowledgeable about this program. So, one of the things that we are aggressively training our staff—we are going to have several training sessions for every employee in this country to talk about RCPP and how it works. It is a very important program, and when you talk about that partnership between the agency and the public, that one to one investment is huge, and so we are taking it very seriously. We are going to continue to work on this. We are going to have more

improvements in 2024. These teams are going to continue to work, and we are very excited about RCPP.

Mr. THOMPSON. Well, Chief, I appreciate the due diligence with which you are pursuing this increased access. Mr. Chairman, my time has expired.

The CHAIRMAN. Thank you, "GT". He yields back. And now I am going to yield myself 5 minutes, if I may. And I want to recognize that my questions deal with the TSP Access Act. And, as you know, my colleague, Representative Spanberger, and I recently introduced H.R. 3036, the Increased TSP Access Act of 2023. This bill would address the TSP shortages by expanding on the framework first envisioned in the 2018 Farm Bill.

So, Mr. Cosby, from your perspective, how important is increased technical service capacity, whether through your own capacity or through the private-sector, to getting conservation funding out the door?

Mr. COSBY. Sir, it is very important, and thank you for the question. I had the opportunity to write the first TSP manual for our agency, back a few years ago, over this career I have had, and that program is valuable to us, and a lot of times it brings a lot of boots on the ground, sometimes expertise that we don't have. And so we have taken a very good look at that program and tried to figure out how can we strengthen it, how can we make it more flexible?

Some of the things that have happened over the last year or so is that we have changed how we are administering TSP. It was state-driven, you had to go through an exhaustive process to get certified, and it took a while to do it, and these were collateral duties for staff out in the field. So what we have done now is we have hired some full-time staff to just work on TSP, getting people certified.

And then the other thing that happened was a lot of these folks wanted to actually do work in multiple states, and there are different state laws, and rules, and regulations that they had to follow. So what we have done there is that we have folks that can work with them on which states they want to be certified in. We have also looked at our costs for doing business, and how we make sure TSPs earn a living when they are doing this work. We worked through that. And so it is very important to our delivery system to have TSPs on the ground to help us do this important work.

The CHAIRMAN. Thank you. Do you think that this Increased TSP Access Act is important to the delivery of those services?

Mr. COSBY. I do, sir.

The CHAIRMAN. Very good. Mr. Ducheneaux, do you have any comments in that regard?

Mr. DUCHENEAUX. I do, sir, and as an Executive Director of a nonprofit before this role, we worked a lot with some of the TSPs on trying to get some of our staff out there in the countryside certified as a TSP, but what became apparent is that there is another step in there as well, and that is technical assistance, beyond just the technical service provision.

And that is where some of the work that we have done in the Department, to really stand up a meaningful network of cooperators through cooperative agreements, to ensure that our lingo, our jargon, which gets a little bit like alphabet soup, can be translated

out there into the languages that our folks are speaking in the countryside. And having that, in addition to that TSP, and the increased access to TSPs, is going to help us continue to improve the delivery of conservation programs out there in the countryside.

The CHAIRMAN. Thank you, and my next question deals with the IRA funding, and the RCPP. The CBO expects that, from the \$4.95 billion in the IRA funding, Inflation Reduction Act, the Regional Conservation Partnership Program would only be able to spend about \$3.9 billion, and it looks like this money will go out the door especially slow in the early years. So, Chief Cosby, how does your agency plan to effectively administer these dollars for a program that is authorized to \$300 million per year and doesn't spend that much annually? And we have about 55 seconds, so—

Mr. COSBY. What I would tell you, sir, is that we are going to deliver this program, and I think we have the staff, and we have the capacity to do this. And, as I said, the NOFO went out this last Friday with \$500 million available, and we are going to continue to do this, and we think we can get this done. Our team is in delivery mode, and we have a very good team around this country, and we plan to deliver this program effectively.

The CHAIRMAN. Thank you very much. Now I turn to Ranking Member Spanberger for any questions she may have.

Ms. SPANBERGER. Thank you, Chairman Baird. Just following up a little bit on this, Mr. Cosby, I saw that NRCS recently announced it will hire new staff, including soil conservationists, across the country to support conservation programs. And, as we have already discussed here today how vital they are to conservation planning, and the technical help required for producers to be able to enroll in EQIP, or CSP, or ACEP, or RCPP. As part of a greater effort to hire nearly 3,000 new people in the coming years, and with the challenges meeting those goals, can you talk about what are some of the barriers that you all are seeing at hiring soil conservationists, or other roles that offer technical assistance to producers?

Mr. COSBY. Yes, and—

Ms. SPANBERGER. And, specifically, which of these barriers might be something we could address in the farm bill?

Mr. COSBY. Thank you, Congresswoman, and yes, this is something that we talk about on a daily basis. As of this morning we are about 10,600 employees, and, as you mentioned, we need to hire somewhere north of 3,000 over the next few years. And with those—hiring of those—that staff, and with our attrition rate that we have on an annual basis, at about nine percent, it is just going to keep us right at where we are right now, even with bringing on those—that many folks over the next 2 to 3 years.

We have a pretty aggressive hiring strategy across the country that we are pretty proud of, and we are doing all that we can with our internships, our third parties—we work a lot with third parties. Right now we are gearing up for our summer students to come in to take a look at us to see if they would like to continue to work for us over the next few years. We are using every authority we have. We have direct hire authority, and we are continuing to look at how we can use that. So we are using almost every authority we have to see how we can bring more folks in.

One of our limiting factors has been that as we hire soil conservationists, and the soils course is the limiting factor for folks coming out of college. A lot of universities do not offer that course any longer. We have been working with a lot of them, the 1890s, and the 1862s, and Hispanic-serving institutions, and—saying we need to get soils back into this curriculum. That is the basis for everything that we do at NRCS. It is a foundational course that everyone in agriculture should have, no matter what your major is in agriculture. You should have a soils class. And so that is one of the things that we are struggling with, but we have—we just—

Ms. SPANBERGER. Sir, if I could interrupt you. So, universities just aren't offering it, which is a limiting factor. Is that a limiting factor in terms of just who is, as a result, qualified for positions you are hiring for? Is that a baseline that they could get as part of their training once they have been hired? Could you just speak a little bit more about how that creates a challenge, and where we might be able to step in with support?

Mr. COSBY. For the soil conservationist position, it takes 30 hours in natural resources.

Ms. SPANBERGER. Yes.

Mr. COSBY. It takes 12 in plants and soil science, and then it takes at least 3 in soils. And the 3 hours in soils has been the limiting factor with a lot of our soil conservationists coming in. Now, we do have a lot of other positions that don't require that. Our technician positions, our engineering positions, some of those type things, we don't require it. But for our professional ranks, that is a limiting factor for us getting folks on. And then when they come on with us, we may have to bring them on in a different fashion, and then they promise to go back and get that soils course, because that is a requirement.

Ms. SPANBERGER. Yes. Of the position?

Mr. COSBY. Yes.

Ms. SPANBERGER. And what has been the responses when you have been doing that outreach to the universities about how important that coursework is to your workforce?

Mr. COSBY. I will tell you, it has been outstanding.

Ms. SPANBERGER. Okay.

Mr. COSBY. Most of them didn't understand that dropping that would be a dilemma for the folks that are graduating from that university.

Ms. SPANBERGER. Of course.

Mr. COSBY. And I will tell you, some of the colleges just don't have the funding to make that happen. When—the soils course, you have to have laboratories, and all those type things, and so it is a limiting factor for funding for some of the universities.

Ms. SPANBERGER. And just assuming out—in my limited time, beyond some of the specific hiring challenges, I am curious what could be some of the ways that we could encourage the next generation to enter conservation-related or agricultural-related positions? Certainly, many of us have incredible organizations like FFA in our districts that are really making sure that students are aware of the opportunities. But, in the remaining time, would you have any comments on how—what we could be doing better as a nation?

Mr. COSBY. It is a K through 12 program. We need to make sure that we start early on with students. We have a lot of people that are graduating in some ag-related field, or agribusiness, and they just don't know what they want to do yet. But I will say that we do is important, and we would love to have them come work for us.

Ms. SPANBERGER. Thank you, sir. I yield back.

The CHAIRMAN. The gentlelady yields back, and now we go to my good friend from the great State of Oklahoma, Representative Lucas.

Mr. LUCAS. Thank you, Chairman Baird. Chief Cosby, I believe the last time we spoke we were standing on a watershed structure in my home county in Roger Mills County in the Third District of Oklahoma. And as you were able to see that day, I come from a community that is fiercely supportive of the Watershed Construction and Rehabilitation Programs and has been for generations. These programs are vitally important not only to my home community, but to the entire State of Oklahoma, a place that is home to over 2,000 watershed structures. So, Chief Cosby, could you speak to the importance of the Watershed Program nationally, and give us an update on how the watershed funding included in the recent infrastructure package is being sent?

Mr. COSBY. Yes, sir, and thank you. Good morning, and thank you for being a champion for the Watershed Program. I know you have done that for a lot of years, and it was a pleasure to be out in Oklahoma with you to look at one of the watersheds that you and one of my successor, Mr. Pearlie Reed, was at early on, and so thank you for that. And this program is hugely important.

BIL, the bipartisan infrastructure law, gave us about \$918 million within this program, and it went into three different buckets. One was watershed operations. It was very important for the operations to have funding, because we are looking at new projects. How do we go into some of these communities and help protect them from flooding? And the next bucket that it went into was rehab. We have a lot of dams out there that are at their 50 to 60 year mark. They are aging, the emergency spillway is not functioning. A lot of the pipes have rusted out. We need to replace them. And so we have a lot of structures out there that need a lot of help. And I was just in my home State of Mississippi and saw some of those in my backyard. And a lot of times folks live downstream from these dams, and really don't know what type of protection it is providing for them.

And then, the third bucket is our Emergency Watershed Protection, EWP. We had over 60 different events this year that we responded to with EWP. The amount of success we have had with this program is tremendous, but we have a huge waiting list of folks that are trying to get in. One of our limiting factors is that, with these events, these storm events and things that are happening, it takes a lot of staff power to do this. And so we are mobilizing folks to wherever in the country that we need this help. We have a huge waiting list. We have a lot of folks that are saying, hey, when are you going to get to us, and so we are trying to make sure that happens. But, it was a huge shot in the arm with the BIL and the \$900 million.

Mr. LUCAS. Last Congress I, along with my colleagues, introduced the Carbon Sequestration Collaboration Act (H.R. 8337). This legislation directs a coordinated research effort across the Department of Energy, Agriculture, and the Department of the Interior to improve our ability to sequester carbon through land use. Specifically, the legislation is in response to the great need for research and development to support the accurate and affordable monitoring, reporting, and verification of carbon sequestration and other conservation outcomes. Could you both speak to how this knowledge gap may limit the capacity and the impact of programs administered by both NRCS and FSA now and in the future?

Mr. DUCHENEAUX. Certainly, sir, and I appreciate it, and thanks for the question. Having the right set of data is going to be important in making the adjustments that are going to continue to drive the enrollment in these programs, drive the participation in these programs, and we use some of the money that we have access to do monitoring, assessment, evaluation of conservation impacts in our CRP Program. Some of those are directly focused on carbon sequestration, but I think one of the important aspects of the work we do is that we take it broader than that, and it is not just about carbon sequestration. It is about how do we balance that with working lands.

And it is my belief, sir, that if we don't have working lands in conservation, we are not taking advantage of the full opportunity to sequester carbon, because anybody that has seen that CRP field that hasn't had enough wildlife on it, or hasn't had enough animal impact, knows that it doesn't continue to cycle that carbon through. So it is important to have the right set of data to make that determination, and we are working to build that out.

Mr. LUCAS. Chief?

Mr. COSBY. Yes. We are also working to do the same thing. This last year we created what we call the CEMA 221. It is the Conservation Evaluation and Monitoring Activity, and what this does is help us look at the soil organic carbon stock, and doing these evaluations, how are we sequestering? We are looking at greenhouse gas emissions. How are we helping with that? And it is going to be very important, as we apply these conservation practices, to explain to the public, what are the benefits, and what are they getting for these dollars that they are investing in conservation?

Mr. LUCAS. Indulge me, Mr. Chairman. Chief, one last quick question. How many authorized personnel at NRCS, how many funded by the appropriations process, how many vacancies?

Mr. COSBY. We are at 10,700 this morning.

Mr. LUCAS. Authorized?

Mr. COSBY. Authorized. We can go to 11,000 authorized. And we are going to try to get there, and then we are looking at a little over 3,000 employees over the next 3 to 4 years.

Mr. LUCAS. So there are 3,000 vacancies, approximately?

Mr. COSBY. Somewhere around that. And we have about a ten percent attrition rate, so we lose about 1,000 folks every year.

Mr. LUCAS. I appreciate the Chairman's indulgence. I yield back.

The CHAIRMAN. Thank you, and the gentleman yields back. And next we are going to go south to New Mexico, to Representative Vasquez.

Mr. VASQUEZ. Thank you, Mr. Chairman, and thank you, Ranking Member. Chief Cosby, Administrator Ducheneaux, thank you for both attending this hearing. USDA's voluntary conservation programs, like EQIP and CSP, are some of our best tools to conserve our agricultural lands for future generations. To me, conservation has always been taught as the wise use of natural resources, using our resources in a fashion that leaves something behind for the next generation.

So let me first say that I am glad to see that New Mexican farmers and ranchers have taken advantage of USDA's conservation programs. I am proud that my state benefits from programs like EQIP. However, in talking with some of my constituents over the last several months, some producers from my district feel that these Federal programs aren't working well enough.

The Middle Rio Grande Conservation District, for example, manages conservation and irrigation programs in Bernalillo, Socorro, and Valencia Counties in my district. They recently told me how they tried for over a year and a half, 18 months, to enter into the Regional Conservation Partnership Program with NRCS, but ended up backing out due to delays and a lack of certainty in communication. A farmer in Socorro County that worked with NRCS is stuck now with a concrete irrigation ditch that is less efficient than his previous dirt ditch because of what he characterizes as a lack of coordination between the Service and the local conservancy district to ensure it functioned as it was intended. And recently a group of constituents, attempting to get an urgent small watershed program project moving to address rural flooding were told by NRCS representatives it would take 5 to 6 years before they could even get the project off the ground.

Now, in this drought and climate crisis, and when—this influx of funding from the IRA, we cannot meet the moment if government is slow and works inefficiently. Every growing season is critical, and if farmers and ranchers are continuously delayed in working with NRCS, they simply won't enroll. Chief Cosby, how often do NRCS applicants back out of projects citing reasons of delays?

Mr. COSBY. Sir, I am not aware of—there have been any projects that when we walked in the door there was a lot of things that had already been set in play, and I am really happy today to tell you that we have turned that corner, and we have improved these programs tremendously. And we don't expect that to happen in the future, especially with RCPP.

If you look at the RFP that we put out last Friday, there is a lot of flexibility there, and we built a team around this. And I think you are going to see us delivery a very efficient program, so we don't expect that to happen any further. And because we understand that when you can't get this implemented, and you can't get it on the ground, it affects producers. It affects their livelihood, their productivity. It affects everything around that. And the team that we built to help with this is going to deliver.

Mr. VASQUEZ. Thank you so much, Chief, I appreciate that. And I think programs like this have an impact beyond the subscribers of these programs. We face landscape-scale challenges, and I think these landscape-scale solutions are important in every little project that gets funded. Helps contribute to solving the crisis that we

face, at least in my state, New Mexico, with droughts, and with wildfires. And, of course, the unfortunate often—decision we have to make to fallow lands to be able to conserve the water that we need for the future.

Because these programs are so vital, according to the 2017 Census of Agriculture—mentioned that the American farmer’s almost average of 58 years old, and only eight percent of farmers are under 35 years old. So we need folks to actually be subscribing to these programs in the future, the farmers of the next generation. Administrator Ducheneaux, given how difficult it is for the next generation of farmers to get into agriculture, what can FSA do to improve credit availability for young and beginning farmers, and particularly those that are working on leased lands, and not owned lands?

Mr. DUCHENEAUX. Thank you very much for the question, sir. And 45 seconds isn’t enough to do that justice, so we will get back to you.* But in short order, we are looking to streamline our loan application process and eliminate the barriers between producers in those circumstances and participation in our deal. We have, by far, the best opportunity for producers to take advantage of the opportunity to get into agriculture with our credit programs, and we continue to refine that. And you will see some of those provisions that we have offered indicated in the President’s 2024 budget. We welcome a chance to follow up more deeply with you on that as you consider your options for the 2023 Farm Bill.

Mr. VASQUEZ. Thank you so much, and it would be great to have, perhaps, a meeting with some of our constituents, especially our associations of young farmers, to better explain to them how the FSA plans to implement these changes. Thank you so much, Mr. Chairman—

Mr. DUCHENEAUX. I would love to get back out there. Thank you.

Mr. VASQUEZ. Thank you. I yield back, Mr. Chairman.

The CHAIRMAN. The gentleman yields back, and now we go to my good neighbor, Representative Miller from Illinois.

Mrs. MILLER of Illinois. Yes. Chief Cosby, in your testimony you state that the USDA is focused on ensuring rural America plays a key role in our transition to cleaner sources of energy. I am very concerned about the use of solar panels on prime farm ground. Is it the policy of NRCS that the placement of solar panels on prime farm ground is good conservation practice?

Mr. COSBY. Ma’am, and thank you for the question. And I know this has been a topic of discussion around the country, and we have not taken a position on that. NRCS has not. What we do is we deliver conservation practices, and I think that is our lane, and hopefully that is where we plan to stay, is delivering conservation practices. And when it comes to solar panels, or even conversion of farmland, it is something that has happened at an alarming rate across the country—

Mrs. MILLER of Illinois. Yes.

Mr. COSBY.—but hopefully when that happens, we are doing conservation practices, conservation measures, to make sure we don’t have erosion on those sites.

* **Editor’s note:** the information referred to is located on p. 49.

Mrs. MILLER of Illinois. Well, not just erosion, but this is prime farm ground. We are seeing tens of thousands of acres in Illinois being taken out of production, and these solar panel, like—whatever you want to call it—it is not really farming. Solar panels are covering that land. But, in general, does the NRCS consider it good conservation to put hazardous materials on land?

Mr. COSBY. I am not sure I am following the question, but what I would say is that we have not studied this, we have not been involved in installing solar panels, so I can't answer that question for you.

Mrs. MILLER of Illinois. Recently, in a letter to shareholders, the CEO of JP Morgan Chase suggested the government should use eminent domain to take private property to get adequate investments fast enough for grid, solar, wind, and pipeline initiatives. Can you ensure us here today that the USDA does not agree with this statement?

Mr. COSBY. Ma'am, again, I have not read that. I am not sure exactly what is in that, but again, we have a distinct role—NRCS and Farm Service Agency—we have a distinct role, and we will leave that up to other folks to decide how that works and when that happens.

Mrs. MILLER of Illinois. Administrator Ducheneaux, as I am sure you know, the USDA's Equity Commission report was very critical of the county committee system at FSA. Can you talk about how the county committees are important to FSA?

Mr. DUCHENEAUX. Yes, ma'am, and it goes to the opportunity to have local input. And, really, the FSA county committee structure is one of the only places in the Federal Government where citizen stakeholders can have that level of input in program delivery, program eligibility, and program determination.

Mrs. MILLER of Illinois. Yes.

Mr. DUCHENEAUX. That can have benefits, and those benefits can also sometimes inure to those that are at the table. And in some cases, and what the Equity Commission was getting at, is oftentimes those committees aren't truly representative of the diversity in that particular county that they represent, and the Equity Commission was contemplating whether or not there should be some adjustments made to ensure appropriate representation not only across diversity of people, but across diversity of production practices, and diversity of production goals.

Mrs. MILLER of Illinois. Yes.

Mr. DUCHENEAUX. So, that is what the Equity Commission's getting at.

Mrs. MILLER of Illinois. Yes. Do you think the USDA's time and money would be better spent promoting policies that help farmers, instead of playing political games with an Equity Commission?

Mr. DUCHENEAUX. That is a really good question.

Mrs. MILLER of Illinois. Yes.

Mr. DUCHENEAUX. We did not ever stop developing policies that work for farmers while the Equity Commission was doing its—

Mrs. MILLER of Illinois. But we are diverting time and money in that area, instead of looking at policies that promote supporting farmers and producers. Last Friday I had a farm bill roundtable with many of my constituents. I can tell you, they are much more

concerned about their ability to pass on family farms to the next generation, and feeding America, than they are about equity and climate change. I hope that the USDA will change course and focus on real issues that farmers are facing.

Mr. DUCHENEAUX. Thank you, ma'am. In conversations that we have across the countryside with producers of all types and all backgrounds, they want the same opportunity that your producers are talking about and our job is to ensure that we are deploying those equitably across all of our farmer stakeholders.

Mrs. MILLER of Illinois. Thank you so much.

The CHAIRMAN. The gentlelady yields back. And next we go to Hawaii, and that is Representative Tokuda.

Ms. TOKUDA. Thank you, that is perfect. Thank you for your testimony today. I want to first begin by thanking your teams in Hawaii for their dedication to helping producers in our state. I recently held meetings with ag producers on five islands in a 5 day time period earlier this month and invited all of our Federal partners from USDA to each of my farm bill listening sessions. J.B. Martin, Director of NRCS Pacific Islands Area joined me on almost every island to speak about programming available to them, which greatly benefitted everyone in attendance. FSA State Director Joy Kono's team also joined me at every listening session, and Chris Kanazawa, Rural Development State Director for Hawaii and the Western Pacific was also in attendance. And this really helped to make sure that we could connect our Federal programs with farmers, producers, and ranchers on all of the islands within my district. So, please extend a warm *mahalo* from me to all of your Hawaii teams and representatives.

Now, during these listening sessions I happened to take a small prop plane over to the Island of Molokai, and what I saw when I looked out the window was a disaster area. You could see large amounts of red dirt runoff choking off the ocean, killing off the local coral reef fish. Many on our islands actually live off subsistence farming and fishing. This is taking away their ability to feed themselves. On Molokai I also toured degraded cattle land with his team. I saw eroded dirt roads that were as deep as I am tall, and I am not even joking, and this is exacerbated by invasive species as well as ungulates like axis deer and feral pigs, which are just ravaging our land.

Mr. Cosby, we have heard from a number of Members of this Committee, the leadership of the Committee, about the historical oversubscription of EQIP. We have heard about delays that are being experienced. Is NRCS looking to prioritize awards for certain practices, producers, or regions with funding from the Inflation Reduction Act? And in particular, is NRCS considering setting aside IRA funding for indigenous and traditional conservation practices, practices that are unique to certain areas and growing conditions? Perhaps even looking at rural and remote communities with limited access to infrastructure, and that have been hit hardest by some of the weather impacts you are seeing right now?

Mr. COSBY. And thank you for your question, ma'am, and I would say, to all of those, yes. And I would go a little bit deeper to say that our programs are—and we talked about this, they are locally-led. We try to use a local-led process, and on an annual basis we

give budgets out to our states. And Mr. Martin is a newly elected—selected director down in Hawaii, and he has done a great job. But, we try to work from the locally-led process, and we let the local folks try to decide what those resource concerns, what those resource needs are.

And then we have what we call a State Technical Committee that that information flows up to, and Mr. Martin, also the FSA Director, they get input from that committee. They talk about how those programs should work on a statewide basis, or, in your situation, on an island basis, and they administrate because of what the local needs are. And so I know that they are down there taking sign-up right now, and I know it is working pretty well. And the influx of IRA dollars just help us—last year we were only able to fund one in three contracts through EQIP and so it has given us a huge shot in the arm.

Ms. TOKUDA. Yes.

Mr. COSBY. Our staff right now is processing about 29 contracts per hour. We are ahead of where we were last year. Last year, just with the 2018 Farm Bill, we are only about 25 percent committed to contracts. This year, we are over 30 percent. Our talented staff out there are doing a great job. They are implementing this, and they—I just can't be more happy about our staff and what they are doing. And we are really implementing and delivering.

Ms. TOKUDA. Thank you. And I will just say, I know I have limited time, that, given that we have so much to do, we have resources we should be able to get out there and deploy, but I am a bit concerned right now about recent reports of the Agriculture Appropriations bill cutting the top line item for NRCS by \$29.7 million. I really do feel that this is going to kind of shoot us in the leg right now as we are trying to deploy out more much needed resources, and supports to our farmers, ranchers, and producers. We have heard about it here today, in terms of the oversubscription. We have heard about delays. I think this would be behooving us to not cut this amount any further. It would really limit your staff's ability to get the work that they need done.

We need more staff than less, so—in particular for myself, I am concerned about rural remote areas, like, Hawaii and the Pacific Islands, that right now Mr. Martin has a lot of work to do, and very little resources, and a team to be able to do that. Given my 10 seconds I have left, I will say that a big concern for us includes ungulates. As I have mentioned, axis deer is a big issue. I think we need to look at ways that we are going to be able to fill gaps in outstanding issues using EQIP funds and other monies to be able to help our ranchers and producers manage an overwhelming amount of invasive species. Thank you, Mr. Chairman, I yield back my time.

The CHAIRMAN. The gentlelady yields back, and now we are going to go the great State of Minnesota, with Representative Finstad.

Mr. FINSTAD. Thank you, Mr. Chairman, and thank you, Ranking Member Spanberger, for holding this important hearing today. And to you, Administrator Ducheneaux and Chief Cosby, thank you for your testimony and your continued leadership. As a proud fourth generation farmer from southern Minnesota, I know that farmers

are the best environmentalists in the world. I see this every day. We work every day to protect our water and our topsoil, not because the Federal Government tells us to do it, but we do it for the next generation of farmers and families that we are proud to be raising. And so we want to make sure that we can continue to work to fuel and feed the world.

So with that being said, I have a couple questions in regards to the CRP Program. Administrator Ducheneaux, across Minnesota's First District we are seeing CRP rates compete with or exceed land values per acre of farm ground. It is making it difficult for farmers to secure new ground and maintain current leases for land. As you know, in the 2018 Farm Bill, Congress kept CRP payments at 85 percent of county rental rates. So I guess my question is, do you believe that reforms made to the CRP Program in the 2018 Farm Bill are achieving their goal of limiting competition against farmers for prime farm land?

Mr. DUCHENEAUX. Thank you for the question, Congressman. During one of the trips, I had a chance to make out to Minnesota, we had a visit in Rice County in Minnesota, and saw firsthand some of the ag production there, talked with some of the producers. Also during one of those visits we had a chance to talk with some of the distressed borrowers who we have been able to help with the Inflation Reduction Act, and that young fellow that we did help mentioned, "I go around, and I have to get the cheapest, poorest land in the county, and try to make it work on that, because of the competition." He didn't mention the competition with CRP. He mentioned the competition with other interests that really, I think are more indicative of a consolidation of resources, and when one small producer goes out, typically another producer gets bigger, and we lose bodies in our rural communities.

To your question, though, I think that the incentives that we offer in CRP give producers a meaningful choice, and the choice that they make with their resources is not for us to dictate. Our job is to get the opportunity out there in front of them so that they can make the best choice now. On the side of those that need to acquire that land, we continue work to refine our credit opportunities so that we are ideally positioned for those beginning farmers, taking advantage of the tools that we have to offer. Again, as land prices increase, our ability to deliver those loan programs continues to diminish in respect to the opportunity that is there.

So, I welcome the conversation with you and your stakeholders. Sir, I would love to visit more about it, but I think we are offering a great opportunity for a voluntary and incentive-based program. And there are countywide limits that limit the amount of land that can be enrolled that are set elsewhere, not at the Department.

Mr. FINSTAD. Yes. Well, I appreciate that answer, and I do welcome further conversation, because I think it is healthy for us to have a conversation about what does CRP 2.0 look like? With all of the science and advancement that we have with soil science, with precision agriculture, with really understanding the soil, I think it is important for us to make sure that as we look at, especially in southern Minnesota, some of the most fertile, prime farmland that we have, every time we take an acre of that out of pro-

duction we lose that, and we become more vulnerable. And, really, food security is national security, so—

Mr. DUCHENEAUX. Yes.

Mr. FINSTAD. It is a conversation that we have to keep on having, that we have to make sure happens. In 2021 USDA added a ten percent inflationary adjustment for both the general and continuous CRP contracts to: “increase program payments to encourage more land enrollment.” This move incentivizes farm country to take high quality land out of production. FSA touts several programs to help young and beginning farmers, yet I have heard from some of these very same young and beginning farmers in southern Minnesota that CRP rates have forced them to compete with the Federal Government for farmland.

So currently we pay a percentage of the county rental rate for land going into the program. Would you be in favor of the general idea of paying more for marginal land, and less for prime farmland, so the program doesn’t compete for productive farmland?

Mr. DUCHENEAUX. I think that is what some of our incentive payments actually do, is incentivize that land in the margin, think about buffer zones, buffer strips. While I was on that trip to Minnesota, I had a chance to visit with free-Range Poultry, who are working on the fringes of prime farmland to do free-ranging poultry production for some of the underserved producers there. I think there is a lot of opportunity in considering that on a more granular level. And with our erodibility index tool adjustments we have made, we are looking more precisely at the land that is being enrolled so that we can move towards something like that, sir.

Mr. FINSTAD. I appreciate your comments. I look forward to further conversations. And, Mr. Chairman, I yield back.

Mr. DUCHENEAUX. Thank you, sir.

The CHAIRMAN. The gentleman yields back, and next we go to Illinois for Representative Budzinski.

Ms. BUDZINSKI. Thank you so much, Mr. Chairman, and thank you, Ranking Member. Thank you to the panelists for being here today. My question is really first—for Chief Cosby and Administrator Ducheneaux, I understand that there has been really positive feedback from stakeholders responding to the launch of the Increasing Land, Capital, and Markets Access Program from last August. I believe that this program will be a critical tool in meeting the needs of our new generation of farmers, which you have heard a lot about from—already from Members of this Committee, the importance of them, and addressing our crisis of land access. As we eagerly await award announcements, can you provide us with any insights into what the Department may need to successfully run this program over the next 5 years, and if it is permanently authorized within the farm bill?

Mr. DUCHENEAUX. Yes, ma’am, thank you for the question. I believe we have put out a \$300 million opportunity in that, and I know that we have had oversubscription for that, so, to me, that indicates that there are a lot of solutions out there in the countryside from our stakeholders that we may not have contemplated yet. And I think continuous support for that type of on the ground research, shopping those good ideas, and empowering people to take control of that to improve land access for the very same beginning

farmers and ranchers that struggle to find a way to carve out a footprint. And it is not just about the access to the prime farmland, it is about opportunities in urban centers, and rural Tribal Nations. So I think there is a lot of opportunity there. We have to continue support these initiatives if they are going to grow roots, and take a hold, and grow into something new.

Ms. BUDZINSKI. Okay. Anything you might like to add, Chief Cosby?

Mr. COSBY. Nothing to add to that.

Ms. BUDZINSKI. Okay.

Mr. COSBY. Mr. Ducheneaux is doing a very great job over there handling this.

Mr. DUCHENEAUX. Okay, great. I will move on to my next question. Actually, that is for you, Chief Cosby. I am really excited—I was excited that the Partnerships for Climate-Smart Commodities launched last February, and in September the Secretary announced \$2.8 billion in 70 selected projects under the first pool of funding, with an additional 71 receiving \$425 million in December. As we work to have more farmers transitioning and working toward the implementation of more conservation and climate-smart practices, I am curious if you have identified ways you can continue to incentivize innovation in this space, and whether adding NRCS practice standards is something achievable for growers who may not have had the technical expertise to navigate these programs?

Mr. COSBY. Ma'am, I will tell you that it has been pretty exciting to watch that program, and then watch how it has flourished. And, it all started—the Secretary made \$1 billion available, and we had almost \$20 billion worth of requests for that \$1 billion, and so we went back and added a little over \$2 billion to that. So \$3.1 billion went into climate-smart commodities, and there is a lot of excitement across the country.

I mean, when you look at the amount of folks that applied for that program, the commodity growers across the country that really wanted to work with us, and work with their producers to get conservation on the ground—and we are talking about climate-smart solutions. When you look at the new and expanding market opportunities that this is going to have, it is going to be a tremendous program.

And when we talk about our conservation practice standards, we review those on a rotational basis, but over the last few years we have looked at all of those, and we make sure that it is up to date, it has new technology. We are looking at—how do we include indigenous information into those standards, and I think we have some of the best standards in the world.

And when you look at these practices, when you talk about the co-benefits, one practice does not have one solution. It helps with several solutions. And when you use these practices in a system approach, it is tremendous benefits that we are having. Whether it is a climate benefit, whether it is a water quality benefit, or a wild-life habitat benefit, the co-benefits are tremendous.

Ms. BUDZINSKI. Thank you. And I could fit in one more question that is more specific to my area in central and southern Illinois. At the beginning of the month a blowing dust storm swept through central Illinois, in my district. An unusually dry spring, combined

with sustained winds, tragically caused blackout conditions, causing eight deaths and many more injuries. What can your agency do to help producers and communities impacted by these types of events?

Mr. COSBY. Ma'am, we heard about that, learned about it, and our hearts go out to the families of lost loved ones and lost family members there. But, one such solution is through our conservation systems approach, and getting good soil health measures on those acres. And that is something our team will continue to do, it is something that we will continue to reach out, and it is done in a voluntary basis.

Ms. BUDZINSKI. Thank you. Thank you, Mr. Chairman. I yield back.

The CHAIRMAN. The gentlelady yields back, and now we go all the way to the West Coast, and California. Representative Durante.

Mr. DUARTE. Duarte.

The CHAIRMAN. Duarte.

Mr. DUARTE. Thank you, gentlemen, for being here today. I represent a whole bunch of orchard and vineyard growers in my district that just love the EQIP irrigation efficiency grants. And oftentimes, on new plantings, many of those grants have requirements that do not allow the beginning of installation of an irrigation system until grant payment is received.

Now, Mr. Cosby, you have let us know that you have many of your staff diligently working at a rate of 29 approvals per hour, and we appreciate that, but nothing can happen until the check gets to the farmer, as I understand from many of my constituents. Is there anything we can do on our end that would allow these projects to begin installation on the farm at a time they are approved, rather than waiting for the initial payment of the grant to show up?

Mr. COSBY. Thank you, sir, for the question, and there is an option called Advance Payment, and it is readily available to the farmer to use that option. When they come in and sign up, and as soon as they are approved, they can ask for advance payment, and we can make that, and they have up to 90 days to start the work after they receive that advance payment. So, yes, we do have an option where we can get farmers started right away, and then they can continue.

A lot of these contracts are 3 years, and they stretch those practices out over that 3 year period. But if they want to start right away, are going to get something done in that first 12 months, we can issue them an advance payment.

Mr. DUARTE. Well, thank you. That is great news. And could you please send me even a link that I could share with my local Farm Bureaus?

Mr. COSBY. We will do that, sir.

Mr. DUARTE. I appreciate that. Sounds good. Next set of questions for you, Mr. Ducheneaux. We had the EPA Director in here, Michael Regan, a few weeks ago. We had a lot of concerns here in the Agriculture Committee about logistics, farm power, mobile diesel engines that we use, that certain EPA regs really are very difficult to keep compliant in the upcoming years. And we actually

counted this, I had my staff count it. He referred to *biofuels* 32 times during that one hearing as the solution to some of the power requirements on farms and other issues we would be facing.

Well, you and I know, without much imagination that that level of reliance on biofuels, in addition to what we are already pulling out of ethanol and biodiesel, is going to be quite extraordinary. Are we to take this serious that the commitment on the Federal Government's part to provide that kind of growth of supply of biofuels in order to fuel our economy *versus* diesel, and what we might drill, is actually coming? And have you integrated those demands into your FSA programs? Right now we have 140 million acres tied up in endangered species habitat conservation reserve, and other set-aside acreages that is the size of California and New York. Not electorally, but nonetheless, have you integrated all that together? Can we believe that biofuels are on the way to power our farms?

Mr. DUCHENEAUX. I think they can be a valuable tool to power our farms. Many of our producers across the country already use some version of biofuel to do it. I think our tools are designed to help our producers participate in the viable marketing of agriculture products for whatever the end-use, whether it is biofuels to power the farms in California, or the food and fiber that feed and clothe the nation and beyond. The tools that we have to deploy are really about giving producers those options, providing that safety net, and in some cases providing that finance opportunity to help them open the door.

Mr. DUARTE. Sure, but to revisit, conservation set-aside programs and endangered species habitat preserves don't produce biofuels, or food, or anything else, other than habitat and conservation land. Where are we going to get the growth of biofuels, and what percent of our nation's power do you think will be incrementally supplied from biofuels, going forward? And do you have specific goals within your program to make that happen?

Mr. DUCHENEAUX. I think there are a lot of people that have a way better estimation of the capacity or the percentage of our fuels that can come from biofuels. But I will offer that the programs within our conservation portfolio are more and more working lands conservation, and we are offering producers the opportunity, through CREP agreements and other types, to maintain production while we engage in those conservation measures. And you don't have good wildlife habitat without some type of production on that acreage. You need the animal impact as well, so I think they go hand in hand together, sir.

Mr. DUARTE. So you are going to repurpose set-aside acreage for biofuels production in some specific quantity?

Mr. DUCHENEAUX. I do not believe that is what I said, sir.

Mr. DUARTE. Okay. Thank you very much. Thank you, Mr. Chairman.

The CHAIRMAN. The gentleman yields back, and next we go back to Illinois. Representative Sorensen.

Mr. SORENSEN. Thank you, Mr. Chairman, and thank you all for being here today. I would like to talk about the Driftless Area. The Driftless Area covers nearly 25,000² miles in the heart of the Upper Mississippi River Basin, spanning four states, where gla-

ciers missed the scouring of the land in the last Ice Age. The place is special, and it includes my district in northwestern Illinois.

The region features extremely productive, but very fragile soils vulnerable to erosion. And especially, being a meteorologist, we are seeing more of this happen with heavy rain events and increasing severe weather as our world warms. The USDA recognized the Driftless Area in DALCI in 2012, but that program ended in 2017, and our region's needs for this overarching program continue today.

As we heard from my colleague from southern Minnesota across the aisle, we need NRCS to properly implement many of the conservation programs in the farm bill. So for Chief Cosby, my question to you, what are the benefits of having a conservation program to protect the Driftless States like the one the USDA created in 2012? Chief Cosby.

Mr. COSBY. Congressman, thank you for the question. And I will tell you that when you look at these—and I would call it probably a landscape initiative. When you look at these types of landscapes, and when you can dedicate a set of funds for that, and you can do the outreach to the producers to come in and do these things, I think you are pretty effective. We have these all across the country, where we concentrate just on that area, and the Driftless area is one of those areas that we have concentrated on and we offer this.

Mr. SORENSEN. Yes.

Mr. COSBY. And then, from the local stand pack, how do you build what those conservation needs are? What are the resource concerns? Because they could change over counties, they could change over states. And then how do you build something successful around that, and then how do you put funding towards that? And I will tell you that a lot of the things that we offer would fit there. When you talk about EQIP, you talk about CSP, you talk about RCPP, ACEP, all the programs that we administer would fit in that area.

Mr. SORENSEN. That is very good. And to continue in a different realm, as a meteorologist, we are identifying an increasing El Niño for this growing season, and many of the producers in my district remember all too well what happened in 1988. So, Chief Cosby, you utilize waivers to help producers dealing with drought. Could you provide us with some more detail about these waivers, and then a follow-up, are there common ones that we might want to address in the next farm bill concerning drought?

Mr. COSBY. Sir, anytime you have to use waivers, it is interesting when it is not something that is permanent, and you use waivers at the discretion of what you are trying to accomplish. But I will tell you that the investments that have been made over with—especially with the 2018 Farm Bill, and then when you put IRA, and you put BIL, and some of the other things on top of that, these investments—I think the resources are there. We just need to do a—probably a little more look-see, and see where we could build on what we started there in the Driftless Area, and maybe how we build on that, and how do we do the outreach to producers to come in on that voluntary basis to do these practices? And I think we could work with you to look at this, and maybe study this, and see how we can expand.

Mr. SORENSEN. I appreciate that. To you, Administrator Ducheneaux, I would really like—maybe a little bit more clarification from the previous line of questioning. In my district the farmers and the producers are ready for biofuels. In northern, western, and central Illinois, we are ready to power the future. The farmers understand that we are being dealt a different set of cards today, through no fault of them. How can I best, and how can we work together to support this transition to biofuels that we need to meet our goals?

Mr. DUCHENEAX. Thank you for the question, Congressman. I look to the Partnerships for Climate-Smart Commodities Programs that we rolled out over the last year. One of those is a jet fuel biofuel that is going to happen in eastern South Dakota. We are helping producers in that particular region have an entirely new opportunity for the marketing of their product, something that doesn't exist today. And I think that is the strength in the partnerships' work that we are doing.

We have now got industry buy-in to this notion that we should improve market opportunities for the commodities that our producers grow beyond what already exists, and continue to spur that innovation that our producers are so keen to deploy when they have an opportunity to meet a need that this country has.

Mr. SORENSEN. Our farmers in western Illinois are ready to meet this challenge head on, and so I look forward to working with you. And, Mr. Chairman, I yield back.

The CHAIRMAN. The gentleman yields back, and next we go to Missouri, Representative Alford.

Mr. ALFORD. Thank you so much, Mr. Chairman, and thank you, Chief Cosby, and Administrator Ducheneaux, for being here today. Chief Cosby, good talking with you about turkey hunting in Missouri. Hopefully we can do that together someday.

Well, the Endangered Species Act requires agencies to use the best scientific and commercial data available in their analysis on listed species. However, EPA frequently does not consider all the data available, and that is wrong. Chief Cosby, does the NRCS have relevant conservation practice data that would benefit the EPA when reviewing the impact of pesticides on a dangerous species and their habitat, sir?

Mr. COSBY. Sir, we work very closely with what the EPA, and the folks over there. We have a seat at the table during these discussions, and we are making all of our practice standards, and all the data that we have available to be used, and so we have a very good partnership with the EPA.

Mr. ALFORD. What type of data has the EPA specifically requested, and what have you provided?

Mr. COSBY. Sir, I am not part of those discussions, but I know that I have staff there. What I would like to do is take this question back to the team and maybe provide you some information on this at a later date. But I would be happy to do that.

[The information referred to is located on p. 49.]

Mr. ALFORD. That would be very helpful, because we do have ongoing concerns that the EPA is not using the data as it is supposed to, to make the proper decisions and the proper ruling, so we would very much appreciate that.

The work of your agencies has contributed to de-listing of many species under the Endangered Species Act, improving water quality across the U.S., and promoting soil health and conservation. However, I spend a lot of time talking to constituents, but also to anti-agriculture environmentalists that you just cannot regulate your way out of a natural resource concern. In fact, several of my colleagues here today, including Chairman Thompson, sent this very letter to Secretary Vilsack and the President of the United States regarding anti-agriculture climate remarks made by Special Presidential Envoy for Climate John Kerry. Administrator Ducheneaux, in your opinion, why does voluntary conservation have a better track record than regulation, and why aren't farmers getting the credit they deserve for being good stewards of God's creation?

Mr. DUCHENEAUX. Thank you for the question, Mr. Alford. I think we are giving the proper credit at the Department and at the Agency, and always talking about their role in innovating and preserving production for the future. And our job, again, is to provide the tools to those producers so that they can take a meaningful part in that, and continue to promote that soil health, to get those species de-listed, and continue to provide incomes and economic opportunity in our rural communities.

Mr. ALFORD. Chief Cosby, do you have a comment on that, sir?

Mr. COSBY. Yes, sir, and that is why technical assistance is so important. We have a lot of landowners out there. A lot of times they would like the technical assistance, and sometimes they really don't want the financial assistance. They want to do this on their own, and they are looking for the best in technologies that we have through our systems.

The other thing is that what we see when we are out working with producers, they take pride in their land, and they want to do the best thing they can for their property. And we have so many folks out there that are doing this on their own, without government assistance, and you see that on a lot of farms that you are on. And so we try to figure out how do we give them credit for the work that they are already doing?

And we learned from a lot of these folks, on some of the conservation measures that they are putting on their farms. So it is a give and take with my staff when they are on the land with these producers that talk about some of the things that we might recommend, and then we learn some of the things that they are doing that has worked for years, and years, and years, so it is a give and take. That is why we want to keep these programs voluntary.

Mr. ALFORD. Let us talk about that, because you say in your opening statement, "We know voluntary conservation works." What are the potential dangers, though, of tying climate scores and DEI initiatives to farming practices in America, Chief Cosby?

Mr. COSBY. Sir, one of the things that we have to look at is how do we make these programs flexible enough for every person that wants to benefit from these programs are able to participate? One of the things we used to talk about, every acre counts, I think every acre and every producer counts, no matter where you are on the landscape, whether you are in urban America, or whether you are in suburbia, whether you are in the rural areas.

And when we look at—and I think one of the things we have to do is we have to tell the American public, these investments that we are making in conservation, what are we paying for? What are we buying? What is happening? And because the American taxpayers are the one that is footing these bills, and so we have to be able to tell them what is happening with these investments in conservation.

Mr. ALFORD. Chief, thank you so much. Administrator, thank you so much for your attitude here today, and your willingness, and your candidness. Thank you. I yield back.

The CHAIRMAN. The gentleman yields back, and next we go to the great State of Florida. Representative Cammack.

Mrs. CAMMACK. Well, thank you, Mr. Chairman. Thank you to you both for being here today. I am so glad to see that both of you highlighted the critical role that voluntary conservation programs have on production agriculture in both of your testimonies. I think it has been said multiple times here by my colleagues, *voluntary, producer-led, and incentive-based conservation programs* are the most effective ways that our farmers can be the best stewards of their lands. So I will just jump right into it. Chief Cosby, can you tell me what *vegetative filter strips* are?

Mr. COSBY. It is one of the many different practices in our repertoire, but when we talk about vegetative filter strips, we look at where do they best fit? Is it a waterway, is it a field border? And so we—

Mrs. CAMMACK. But specifically what they are.

Mr. COSBY. It is the planting of grasses in an area that might be eroding, or have water issues, and some of those type of things.

Mrs. CAMMACK. Can you tell me the cost?

Mr. COSBY. I cannot, but I can get that information for you, and I think we do those on a acre by acre basis.

Mrs. CAMMACK. Yes.

Mr. COSBY. I can't tell you what the cost is, but I can get that information for you, ma'am.

Mrs. CAMMACK. What about *contour terracing*? Can you explain that to me?

Mr. COSBY. I have laid out a lot of contour terracing. It is when you are farming around the hill, and you are trying to divert water to the lowest place to get it out of the field, and I have done that. I did that a lot of years when I was in Iowa, and across the Midwest, and they work really effectively.

Mrs. CAMMACK. Good. I am so glad to hear that you know what, in fact, contour terracing and vegetative filter strips are because, when the EPA was here, they couldn't tell me what it was. And, as someone who comes from agriculture, it is pretty troubling when you have someone regulating an industry that they can't really speak about. So I am thrilled that you are able to describe that.

But in November the EPA published an update to their Endangered Species Act workplan that proposed numerous costly mitigation efforts that farmers, ranchers, and producers would be required to implement when using crop protection tools, including field buffers, vegetative filter strips, contour terracing, *et cetera*. These regulatory mandates are in direct contrast to our farm bill principles, that conservation should be voluntary, incentive-based,

and locally-led. Can you tell me how you are working—and very briefly, because I have a couple of other follow-up questions—with the EPA to make sure that this conservation effort remains voluntary for our producers?

Mr. COSBY. And we have these discussions at all times. We talk about what our path is at USDA, and especially NRCS, in keeping these programs voluntary, and making sure we are working with the producer for the very best positive outcome. And we continue that conversation anytime we are meeting with any agency or other department across the Federal family.

Mrs. CAMMACK. Thank you. Chief and Administrator, when you are staffing for your local offices, what are the onboarding processes for your agencies, and how are those new staffers gaining the necessary local knowledge they need to succeed in the roles that they are filling? And I will start with you, Administrator, and then to you, Mr. Cosby.

Mr. DUCHENEAUX. Thank you, ma'am, for the question. I appreciate it. When we fill those positions at the local office, a lot of that training happens locally.

Mrs. CAMMACK. Yes.

Mr. DUCHENEAUX. If they are a program technician, they come on board with existing staff, if they are there. Otherwise, we reach across and capitalize on our ability to work through the Teams environment, and train in that manner. When it is our County Executive Directors that we are bringing on, they go through a pretty rigorous training system where they go around that state to several different counties to see firsthand how those counties deliver the programs before they are offered a chance to lead in that county.

Mrs. CAMMACK. Perfect.

Mr. DUCHENEAUX. And it is critical that they have that opportunity to get in there, roll their sleeves up, and get some experience that is guided, because we all know it is important to have some working knowledge of what is going on so that they can bring their own unique skills to the table in a manner that can help them innovate and continue to provide better service to our producers.

Mrs. CAMMACK. Thank you. Mr. Cosby, very quickly, if you could?

Mr. COSBY. Yes. As we bring that local staff on, we team those up with the local folks in that office. A lot of times we ask the producers in the county, actually, to help mentor those new employees, because a lot of these employees are not farm kids anymore and they are coming from different sectors, and so we try to do that. The training happens right there locally. It is all mostly on the job training. It has been pretty difficult the last couple years because of COVID.

Mrs. CAMMACK. Right.

Mr. COSBY. But, then there are some national trainings, but we try to make sure—since these are locally-led programs, we try to make sure those employees get that local training.

Mrs. CAMMACK. Thank you. I am going to turn to FSA now. I am sure that you are aware, Administrator, that FSA is facing staff shortages, and that it is hurting our rural communities. In fact, it is one of the main things that I hear about from my producers, not just in my district, but across the State of Florida. Administrator,

what do you believe is causing this shortage, and what is your agency specifically doing to address the shortages of FSA personnel?

Mr. DUCHENEAUX. I think there is a stigma in this country about the reality of Federal service, and I think too often people are persecuted from engaging in Federal service and painted as part of a bureaucracy. And I think instead we should look at these folks as the forefront of delivery of essential programs and services to our rural communities to give them the lifeblood they need to have economic opportunity. And we all need to get together and start to brag on our county staff the way the Secretary and I do, instead of treating them like they are part of some inefficient Federal bureaucracy, which just, frankly, isn't true.

Mrs. CAMMACK. I appreciate that comment, and I will send a few of my follow-ups for the record.

Mr. DUCHENEAUX. Thank you, ma'am.

Mrs. CAMMACK. With that, Mr. Chairman, I yield back. Thank you both, gentlemen.

The CHAIRMAN. Thank you. The gentlelady yields back, and next we go to Ohio, Representative Miller.

Mr. MILLER of Ohio. Thank you, Mr. Chairman and Ranking Member, for holding this hearing as we seek to support efforts by our nation's agricultural producers to sustain both agriculture production, as well as the future viability of our natural resources. I would like to extend a special note of gratitude to NRCS Chief Terry Cosby, who acted as NRCS Ohio State Conservationist for 16 years, and recognize his efforts towards adoption of critical conservation programs in the great State of Ohio, my state, and now throughout the country. Welcome, Chief Cosby. It is great to see you.

Likewise, I would like to call attention to the Ohio Agriculture Conservation Initiative, a partnership between agriculture, conservation, environmental, and research communities to recognize farmers for their dedication to advancing methods that improve water quality in Ohio, and increasing the number of farm-best management practices. These collaborative efforts offer farmers the ability to proactively employ modern science-based practices and carry out water quality solutions to sustain resources.

Toward that end, and chief among critical conservation objectives I have heard include maintaining working lands conservation programs, streamlining the NRCS conservation practice approval process, allowing for flexibility in addressing local and regional resource challenges. As the operator of Bowers Farms of Wayne County, Ohio, who was awarded the Soil and Water Conservation District's Conservation Farm Award noted, we try to look at our conservation practices as the right thing to do with the soils we farm.

Chief Cosby, I understand the United States and Canada have formed a partnership to prioritize the restoration of Lake Erie and other Great Lakes. As a part of that effort, the NRCS, along with five other Federal agencies, state, and other non-government industry and academic partners are dedicated to accelerating Lake Erie's rehabilitation through a number of collaborative projects and initiatives, including the Western Lake Erie Basin Project. How can

NRCS best provide technical and financial assistance to farmers to implement conservation practices such as Lake Erie rehabilitation, and assist in a comprehensive effort to improve water quality, soil health, and sustain the region's economic viability and farm capabilities?

Mr. COSBY. Sir, thank you for that question. And when I was back there in Ohio, I had an opportunity to start the Western Lake Erie Basin Project, probably from day one, back in 2006, 2007, so it was a fun project to work on. And through that effort we were able to bring in funds to help—how do we make sure that doesn't happen again?

We had the water crisis up there along the lake, and we have been working very diligently there with the NRCS staff and team. And we have been working very closely with the partnership with the Governor's office, with the DNR Director, the EPA Director, and the Department of Agriculture in looking at how these programs could be effective. We did an RCPP project in that basin. We have what we call the Western Lake Erie Basin Project, where the dollars are dedicated to help farmers up there with cover cropping. And, I tell you what, we are still continuing to work in the Western Lake Erie Basin. It is 25 percent of all the fresh water in this country that is held there, and I think that we have to continue doing that.

Mr. MILLER of Ohio. Thank you, Chief. For the Administrator, I am heartened by Federal conservation programs that assist our farmers, ranchers, and landowners through the voluntary adoption of sound conservation programs that benefit my district, and the entire region. More specifically, I understand December of 2022 the United States Department of Agriculture and the State of Ohio continued a partnership through the Farm Service Agency, Lake Erie Conservation Reserve Enhancement Program, to assist Ohio farmers and agricultural landowners in approving water quality and conserving other natural resources through voluntary, incentive-based conservation programs.

Please let us know how the Ohio-Lake Erie CREP, which includes Medina County, in my Congressional District, offered by USDA, the Ohio Department of Agriculture, and the Ohio Department of Natural Resources, through conservation practices such as buffer strips, grasslands, and wetlands, is improving water quality and making a positive impact on the natural resources and farming operations throughout Ohio.

Mr. DUCHENEAUX. Thank you for the question, Congressman. As with all of our CREP Program agreements that we offer, it puts the producers and their stakeholder groups in the driver's seat of addressing what those conservation concerns are. And as an example, and one of the things we need to think about is that while there are individual producer decisions to be made, we are in this together. You mentioned the multi-state, multi-national cooperative around Lake Erie.

Mr. MILLER of Ohio. Right.

Mr. DUCHENEAUX. We need to be able to put resource concerns together and help producers have the tools to address those things that they have in common to have a more meaningful impact. So I think that is one of the values that our CREP agreement has, is

that it lets us amplify the impact by getting some economies-of-scale on those conservation measures that we deploy, and multiply those impacts on top of each other.

Mr. MILLER of Ohio. Thank you very much. I would just like to thank our witnesses, and I yield back, Mr. Chairman. Thank you.

The CHAIRMAN. The gentleman yields back. And now I would like to invite my Ranking Member to share any closing comments she may have.

Ms. SPANBERGER. Thank you, Mr. Chairman. Thank you, Chief Cosby and Administrator Ducheneaux, for your testimony today. Thank you for your extraordinary answers, very detailed, to the questions asked this afternoon. Your dedication to conservation and supporting America's farmers, ranchers, and foresters is clear, and I am so grateful for your work at the helm of these important agencies. The programs you all administer provide vital support to farmers, but also to all of us, who benefit from the conservation and environmental benefits of the important conservation work that farmers and producers are doing thanks to these programs.

Through continued efforts by your teams, our producers can volunteer to conserve their lands for future generations. They can employ conservation practices on their operations, and they can help meet our shared goals for healthy lands, water, and air. Thank you so much for your work. Thank you to your teams and staffs for their work, and thank you, Mr. Chairman, for having this hearing today. I yield back.

The CHAIRMAN. Thank you. And I want to thank both of our witnesses for being here today, Chief Cosby and Administrator Ducheneaux, for sharing your visions and so on for our conservation programs. And, Chief, you mentioned something that I found interesting.

You mentioned that some of those dams out across the country, those small dams, are at 50 or 60 years old, and may be at the end of their useful life, but I know when I was a kid growing up, we had some floods and we farmed the bottom ground, and the farmers all got together with the local USDA folks, and they came up with small dams up the tributaries to those streams. And those are getting to be 50 or 60 years old, but I would—just want to share that those were very effective. They went up those tributaries, they stopped—they held the water, and let it down. And so I just wanted to reinforce that we probably ought to keep those.

But anyway, I want to thank the Ranking Member for being here today, and I appreciate your participation. This has been a very helpful conversation for our Members, and we look forward to working with you and your agencies as the 2023 Farm Bill does move forward.

Under the Rules of the Committee, the record of today's hearing will remain open for 10 calendar days to receive additional material and supplementary written responses from the witnesses to any question posed by a Member. And with that, this hearing of the Subcommittee on Conservation, Research, and Biotechnology is adjourned.

[Whereupon, at 11:46 a.m., the Subcommittee was adjourned.]

[Material submitted for inclusion in the record follows:]

SUBMITTED LETTER BY HON. MARK ALFORD, A REPRESENTATIVE IN CONGRESS FROM
MISSOURI

May 22, 2023

Hon. JOSEPH R. BIDEN,
President of the United States,
The White House,
Washington, D.C.;

Hon. THOMAS J. "TOM" VILSACK,
Secretary,
U.S. Department of Agriculture,
Washington, D.C.

Dear President Biden and Secretary Vilsack:

The United States recently hosted the Agriculture Innovation Mission (AIM) for Climate Summit in Washington, D.C., a forum for public and private sector stakeholders to discuss climate-related issues in agriculture. In reality, the AIM for Climate Summit provided the opportunity for speakers like Special Presidential Envoy for Climate John Kerry to attack America's hardworking farmers and ranchers and paint them as the sole scapegoat for greenhouse gas (GHG) emissions. We strongly urge you to denounce Kerry's remarks. These comments are a blatant slap in the face to the hardworking individuals that spend their lives sustainably producing our world's food, fuel, and fiber.

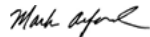
Although the world agriculture industry accounts for 22 percent of global GHG emissions, Kerry's alarmist narrative does not tell the full story of American agriculture. According to the United States Environmental Protection Agency (EPA), the U.S. agriculture industry is the lowest emitting economic sector in America. Furthermore, U.S. agriculture only represents ten percent of U.S. GHG emissions, which translates to just 1.4 percent of 2019 global GHG emissions. In fact, the U.S. agriculture industry has achieved a net reduction in greenhouse gas emissions since the 1980s, whereas other top producers, like China and Brazil, have increased emissions up to 86% over the same time.

U.S. farmers and ranchers should be applauded for implementing solutions to protect and conserve natural resources, sequester and harness soil carbon, and increase farm yields, achieving climate benefits as they go. According to the EPA, U.S. land management practices alone removed 764 million metric tons of carbon dioxide from the atmosphere in 2018, which is more than the U.S. agriculture sector emits in 1 year. This is largely due to innovations in technology and science, like precision agriculture technology and biotechnology tools.

According to the American Farm Bureau Federation, U.S. agriculture would have needed nearly 100 million more acres of land 30 years ago to match today's production levels. Animal agriculture also continues to make advancements in nutrition, genetics and production practices that reduce their already minimal footprint. Cattle recycle carbon dioxide as part of their natural carbon cycle and the U.S. beef industry has reduced emissions by more than 40% between 1961 and 2018.

American farmers and ranchers are committed to being stewards of the land. We are appalled by the comments made by Special Presidential Envoy for the Climate Kerry and ask that your Administration recognize the responsible efforts agriculture producers make every day to feed, clothe and fuel the world. Farmers and ranchers are the lifeblood to our food security, and a nation that cannot feed itself would not be a nation at all. We strongly urge you to condemn Kerry's remarks and support American agriculture.

Sincerely,



Hon. MARK ALFORD,
Member of Congress



Hon. GLENN THOMPSON,
Member of Congress



Hon. MARIANNETTE MILLER-MEEKS,
Member of Congress



Hon. DAN NEWHOUSE,
Member of Congress



Hon. BRAD FINSTAD,
Member of Congress



Hon. MONICA DE LA CRUZ,
Member of Congress



Hon. MARY E. MILLER,
Member of Congress



Hon. SAM GRAVES,
Member of Congress



Hon. LORI CHAVEZ-DEREMER,
Member of Congress



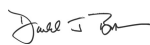
Hon. DOUG LAMALFA,
Member of Congress



Hon. DUSTY JOHNSON,
Member of Congress



Hon. RANDY FEENSTRA,
Member of Congress



Hon. DON BACON,



Hon. ASHLEY HINSON,
Member of Congress



Hon. C. SCOTT FRANKLIN,
Member of Congress



Hon. MIKE BOST,
Member of Congress



Hon. TRENT KELLY,†
Member of Congress



Hon. RONNY JACKSON,
Member of Congress



Hon. ZACH NUNN,
Member of Congress



Hon. RANDY K. WEBER, SR.,
Member of Congress



Hon. KAT CAMMACK,
Member of Congress



Hon. BARRY MOORE,
Member of Congress



Hon. BRIAN BABIN,

† Ranking Member, Subcommittee on Intelligence and Special Operations.

Member of Congress



Hon. JAMES R. BAIRD,
Member of Congress



Hon. JOHN W. ROSE,
Member of Congress

Member of Congress



Hon. JOHN S. DUARTE,
Member of Congress



Hon. ERIN HOUCHIN,
Member of Congress

SUPPLEMENTARY MATERIAL SUBMITTED BY TERRY COSBY, CHIEF, NATURAL
RESOURCES CONSERVATION SERVICE, U.S. DEPARTMENT OF AGRICULTURE

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Mr. ALFORD. . . .

Well, the Endangered Species Act requires agencies to use the best scientific and commercial data available in their analysis on listed species. However, EPA frequently does not consider all the data available, and that is wrong. Chief Cosby, does the NRCS have relevant conservation practice data that would benefit the EPA when reviewing the impact of pesticides on a dangerous species and their habitat, sir?

Mr. COSBY. Sir, we work very closely with what the EPA, and the folks over there. We have a seat at the table during these discussions, and we are making all of our practice standards, and all the data that we have available to be used, and so we have a very good partnership with the EPA.

Mr. ALFORD. What type of data has the EPA specifically requested, and what have you provided?

Mr. COSBY. Sir, I am not part of those discussions, but I know that I have staff there. What I would like to do is take this question back to the team and maybe provide you some information on this at a later date. But I would be happy to do that.

NRCS is collaborating with EPA to offer our experience and scientific expertise regarding mitigation of impacts related to integrated pest management. We may have relevant information and expertise that can help inform EPA's regulatory actions. NRCS provided EPA with an overview and access to the Resource Conservation Act Data Viewer to develop custom queries to meet their needs. Another resource that NRCS has is the Conservation Effects Assessment Project (CEAP) information and reports, we have shared that with EPA as well.

SUPPLEMENTARY MATERIAL SUBMITTED BY ZACH DUCHENEAX, ADMINISTRATOR,
FARM SERVICE AGENCY, U.S. DEPARTMENT OF AGRICULTURE

Insert

Mr. VASQUEZ. . . .

Because these programs are so vital, according to the 2017 Census of Agriculture—mentioned that the American farmer's almost average of 58 years old, and only eight percent of farmers are under 35 years old. So we need folks to actually be subscribing to these programs in the future, the farmers of the next generation. Administrator Ducheneaux, given how difficult it is for the next generation of farmers to get into agriculture, what can FSA do to improve credit availability for young and beginning farmers, and particularly those that are working on leased lands, and not owned lands?

Mr. DUCHENEAX. Thank you very much for the question, sir. And 45 seconds isn't enough to do that justice, so we will get back to you.

Improving credit availability for all customers, especially young and beginning farmers and ranchers, is a paramount priority for FSA as we understand that credit access is essential to increase opportunities for market entry. Credit access is vital for beginning farmers to be successful in the agricultural industry. FSA is address-

ing this priority with a holistic approach that emphasizes improvements to customer experience, equity, and program delivery. Among these efforts are the following:

In February, FSA released a simplified direct loan application that seeks to improve the customer experience by significantly reducing the number of pages previously required to apply for loan assistance.

The launch of the Loan Assistance Tool (LAT) allows customers to explore FSA loan programs and see what matches their specific eligibility from the privacy and comfort of their own home prior to making any contact with loan staff. This self-paced resource was designed specifically with customer experience and functionality in mind and further works to reduce barriers to success by providing easy access to information. After walking customers through the eligibility criteria with the aid of instructions and informational pop-outs, the customer can decide if they would like to continue their pursuit of an FSA loan with an application. This tool is the forerunner to current efforts to deliver the first FSA loan program Online Application portal, which is scheduled for deployment later in 2023.

FSA is currently revising and developing policies to improve program access by adding certain eligibility and security criteria flexibilities as well as reimagining loan underwriting analysis techniques to add efficiencies that reduce burdensome processes for customers and employees and better target risk management. FSA has taken administrative action to implement these changes and is finalizing regulatory changes as needed for their implementation.

SUBMITTED LETTERS BY TOM KIERNAN, PRESIDENT AND CHIEF EXECUTIVE OFFICER,
AMERICAN RIVERS

LETTER 1

Monday, May 22, 2023

<p>Hon. JAMES R. BAIRD, <i>Chairman</i>, Subcommittee on Conservation, Re- search, and Biotechnology, House Committee on Agriculture, Washington, D.C.;</p>	<p>Hon. ABIGAIL [DAVIS] SPANBERGER, <i>Ranking Minority Member</i>, Subcommittee on Conservation, Re- search, and Biotechnology, House Committee on Agriculture, Washington, D.C.</p>
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Dear Chair[man] Baird, and Ranking Member Spanberger:

We are writing to you to express our gratitude for holding a hearing on “Conservation in the Farm Bill: Making Conservation Programs Work for Farmers and Ranchers” and we share your continued commitment to improving voluntary, locally-led, and incentive-based programs under USDA and NRCS. Attached to this letter is our full report and fact sheet. **We specifically ask that these materials, both the report and fact sheet, be included in the hearing record.**

Since 1973, American Rivers has protected wild rivers, restored damaged rivers, and conserved clean water for people and nature. With headquarters in Washington, D.C. and 355,000 supporters, members, and volunteers across the country, we are the most trusted and influential river conservation organization in the United States, delivering solutions for a better future. **We support comprehensive and rapid response that expedite recovery efforts for farmers, ranchers, ag producers, and landowners.**

Improving USDA’s Emergency Watershed Programs

The Emergency Watershed Protection Program—Floodplain Easement Program (EWPP–FPE) offers farmers, ranchers, ag producers, and landowners alternative voluntary methods to participate in conservation programs aimed at reducing threats to life and property, and damage to crops during natural disasters like fires and floods. The purpose of the floodplain program is to restore the floodplain to its natural condition to mitigate flooding damages on the farm. Recovery projects allow NRCS to purchase floodplain easements. A key goal of the program is to restore the land to the maximum extent possible using river restoration techniques that enhance flow and storage of floodwaters, control erosion, and improve the overall management and maintenance of easements.

Our new report entitled, *The Multiple Benefits of Floodplain Easements*, demonstrates the demand for floodplain easements around the country, especially in the Upper Mississippi River Basin (UMRB). These emergency watershed programs do not receive consistent, annual funding. Despite the reoccurring costs of damages

from flood and excess rain/moisture, Congress makes no funds available to provide farmers with much needed relief and resources. No matter where you live, out West or in the Midwest, farmers and ranchers face potential displacement and hardships due to uncontrolled floods and fires.

Costs of Flooding Impacts on Farmlands

Across the nation, our research finds flooding has caused \$59.2 billion in damages over the last decade. Over that same period, farmers enrolled in the Federal Crop Insurance Program (FCIP) reported \$29 billion in damages caused by floods and excess moisture, with UMRB states representing 34 percent of those damages. The cost of flooding impacts on the nation and in the UMRB is rising as precipitation increases, and damages are expected to continue to escalate as climate change impacts intensify.

In the West, acequias are falling through the cracks when it comes to fire and flood recovery assistance. Flood damage after the Hermits Peak-Calf Canyon fire in the summer of 2022 impacted more than 700 people in New Mexico. The average market value for farms in the region is about \$20,000. These communities need our help. Local and state governments simply do not have the cash reserves to deploy financial resources to help small acequias associations. Today, these damages across the watershed are escalating due to climate change.

With the new infusion of Federal funding through the Inflation Reduction Act, **we have a huge opportunity to reform USDA's watershed programs in the upcoming 2023 Farm Bill to allow the creation of a permanent, open-enrollment program that annually invests in the increased coverage of floodplain easements to benefit agricultural producers.** Floodplain easements compensate landowners and farmers for permanently conserving flood-prone lands through voluntary and market driven policy measures backed by science and economics. Floodplain easements support recreation, fishing, hunting, and agricultural practices like grazing and other compatible uses.

Unfortunately, rising costs is not the only thing holding back farmers and harming their futures. Requests from farmers, ag producers, ranchers, and landowners for easements greatly exceed awards under EWP. The way the current program is set up does not meet their needs in a changing environment that constantly makes it harder for them to adapt. **Despite the valuable assistance of the program, concerns remain with the implementation of EWP, including its eligibility requirements and approval processes. Funding for floodplain easements is rarely available where flood damages occur in states that need it the most in the West and Upper Mississippi River Basin.**

Transformative Community Benefits of Functional Floodplains

Floodplains are areas of land that become inundated with water during or following precipitation events and are adjacent to a permanent or ephemeral water body, like a river, stream, ditch, storm sewer, lake or pond. Floodplains are the transition zone between the aquatic and terrestrial ecosystems. Floodplain easements restore, protect, maintain, and enhance the functions of floodplains while conserving their natural values such as serving as fish and wildlife habitat, improving water quality, retaining flood water, and recharging groundwater to support drought resilience in arid regions. Structures, including buildings, within the floodplain easement must be demolished and removed, or relocated outside the affected floodplain area. A "functional floodplain" is a floodplain that can perform the natural processes that produce goods and services. These include:

1. **Connectivity:** The floodplain is physically accessible by water from its adjacent river or stream to allow an exchange of water, nutrients, sediment, and organisms.
2. **Variable Flow:** The connected river can produce flows with magnitudes large enough to inundate the floodplain. These flows must occur with the necessary timing, duration, magnitude, and frequency to support native, local biota.
3. **Scale:** The floodplain must have the space to accommodate inundation and the resulting habitat and landscape-forming processes.
4. **Habitat and Structural Diversity:** The floodplain must have diverse sediment-erosion and -deposition conditions, gradients of hydrologic connectivity, ecological succession, and naturally accumulated debris to generate habitat supportive of terrestrial and aquatic organisms.

Support Drought Resilience and Include Flood Reduction Strategies in the Next Farm Bill

Climate change has increased the frequency and ferocity of extreme weather events. From fires to floods, our world is changing, and farmers need more help to adapt. Dire conditions in the Colorado River Basin call for collaborative solutions. The Colorado River has consistently ranked the nation's Most Endangered River. Farmers are facing some of the most water-scarce times in recorded history. A lot of our partners live on small tributaries, and those streams do not flow anymore. Federal action can help manage the water crisis in the West. **We call on Congress to put forward long-term solutions including drought resilience and flood reduction strategies in the next farm bill to improve the land's ability to recharge ground water supplies and increase surface water supplies for future generations.** It is clear that nature-based solutions can help preserve the Colorado River now.

In the Mississippi River farm country, excessive rain and moisture push back planting seasons and drown crops such as corn and soybeans. Farmers are taking different precautions to mitigate flood damages, digging drainage trenches or installing more underground pipes, called drainage tiles, in their fields in an effort to keep them from flooding. But those steps have unintended consequences that may worsen flooding and soil loss. Along the Le Sueur River in southern Minnesota, this leaves family farms coming close to losing their entire homes and their livelihoods due to severe erosion after heavy rains hit the area last year.

In the last decade, we have seen well over \$29 billion in crop damages caused by floods and excess moisture, more than 172 million cumulative acres impacted by flooding, and close to 9,500 agricultural disasters related to flooding. **Yet, funding for floodplain easements remain rarely available where flood damages occur.**

Recommendations for the 2023 Farm Bill

Given the multiple benefits of investing in floodplain easements and the substantial unmet demand in the West and UMRB, we make seven key recommendations that will provide guidance on how to continue investments in floodplain easements to increase water storage, reduce flood damages, and provide multiple beneficial services to communities and wildlife across the country.

1. **Congress should fund flood damage-reduction and floodplain easements annually.** The West and UMRB states have both a need for flood-damage reduction and a sufficient number of willing landowners to enter into voluntary easements that exceeds the current Presidential disaster declaration-dependent funding structure for floodplain easements. These findings merit the establishment of a permanent, open-enrollment program that annually invests in the increased coverage of floodplain easements to benefit agricultural producers, increase resiliency to floods, increase safety of downstream communities, and reduce taxpayer burden for repetitive damages.
2. **The NRCS and USDA should establish and implement a tracking system for floodplain easements.** This tracking system would document flood levels and damage reductions; ensure establishment of a resilient, flood-adapted natural community; and provide landowner guidance for managing easement lands for floods as well as other compatible uses. The existing Conservation Effects Assessment Project offers one important opportunity to conduct an evaluation of floodplain easements. This effort would be particularly useful as a component of an intergovernmental initiative to inventory and track data related to the protection and restoration of functional floodplains.
3. **The NRCS and USDA should collaborate with universities, the U.S. Geological Survey and independent experts on economic research that evaluates the total ecosystem services associated with retiring cropland within the areas of land that have a one percent annual chance of flooding (100 year flood zone).** This research should include evaluation of alternative funding sources for floodplain easements based on their provision of marketable ecosystem services. Transactions for watershed services and water-quality trading in the U.S. from roughly 1992 through 2008 amounted to \$9.75 billion.
4. **Congress should remove the land-tenure requirements that generate unnecessary paperwork for landowners and NRCS staff.** Requiring property owners to prove, and the NRCS to verify, that a particular owner has held a piece of property for more than 7 years adds an illogical eligibility barrier and creates another layer of paperwork for all parties. The requirement for property owners to have held a property for 7 years prior to the in-

stallation of a conservation measure or easement ignores the increasing frequency of severe floods and the rising recurrence of flood damages in agricultural areas. Properties incur damages regardless of owner or date of purchase.

5. **The USDA should work with FEMA and the U.S. Army Corps of Engineers (USACE) to track properties with recurring claims due to flooding, and prioritize those properties for enrollment.** In 2012, when the UMRB was experiencing the most extreme drought event ever, flood and excess rain/moisture was still reported on 1.1 million acres. The USDA needs to track where flood and excess rain/moisture damages are being reported within the FCIP, and through programs administered by FEMA and the USACE. This would identify properties that are at the most at risk of flooding, and help prioritize investments.
6. **The USDA should identify and make recommendations to farmers with flood-prone properties on flood-compatible farming practices that avoid repetitive losses.** As flooding becomes more frequent in the UMRB and sporadic in the West, the USDA needs to develop recommendations to help farmers reduce losses during flood events. These recommendations could include flood-compatible recreational uses like hunting and fishing, crop modifications that are flood-tolerant, and alternative land uses like grazing. These recommendations need to be developed across all programs to prevent losses on acres in production, husbandry, and conservation.
7. **NRCS and USDA should develop science-based guidance for state engineers regarding partial versus full removal of levees on properties with easements.** Several states have reported that a portion of current and past floodplain and other easement projects did not fully remove agricultural dikes or levees from properties. The reasoning for leaving these structures in place included a desire to limit the amount of earth disturbance or tree removal that full structure removal would cause, the added cost of necessary engineering studies, a desire to maintain some hydrologic control, concerns of adjacent property owners, scour protection and other factors. While each of these issues may be a valid concern at any given site, the NRCS must provide guidance to its field staff to ensure that the impacts associated with accommodating these issues are balanced against maximizing the services of floodplain storage and reducing long-term intervention needs.

Conclusion

AR's experience as a partner working with farmers, ag producers, ranchers, and landowners on conservation program projects in the West and UMRB has given the organization a unique perspective on how to improve USDA's Emergency Watershed Programs. The next farm bill must improve the flexibility, accessibility, and availability of these type of important programs and increase the benefits to support farming communities. **Congress needs to help farmers, landowners, and ag producers manage flood prone land to protect people, reduce the cost of disaster recovery, improve water quality and quantity, and conserve habitat for fish and wildlife.**

We would like to thank the Committee for the opportunity to share these observations and our report with you. We would be happy to answer any additional questions the Committee may have on this subject, and serve as a resource in the future.

Sincerely,

TOM KIERNAN,
President and CEO,
[Redacted]
OLIVIA DOROTHY,
Restoration Director, Mississippi River,
[Redacted]
BRIAN GRABER,
Senior Director, River Restoration,
[Redacted]
EILEEN SHADER,
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TED ILLSTON,
Vice President, Policy and Government Relations,
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ATTACHMENT 1



2023 Farm Bill Priority

Photo Credit: Crystal Dorothy.

In the Last Decade**\$29 billion**

In crop damages caused by floods and excess moisture over the last decade.

172 million

Cumulative acres impacted by flooding.

9,460

Agriculture disasters due to flooding over the last decade.

303

Number of easements enrolled in EWPP—Floodplain Easement Program.

Reform USDA'S Emergency Watershed Protection Program

Extreme weather can strike farmers, landowners, agriculture producers at any time and any place. Dealing with the aftermath can be challenging and expensive especially in rural communities. Floodplain easements compensate landowners and farmers for permanently conserving flood-prone lands through voluntary and market driven policy measures backed by science and economics.

A new report by American Rivers shows improving the national and existing USDA Floodplain Easement Program in the 2023 Farm Bill, Congress can enroll easement acres annually and provide farmers with much needed flood damage reduction strategies to conserve and protect ecosystems while feeding our nation and the world.

Overview

USDA's Emergency Watershed Protection—Floodplain Easement Program (EWPP—FPE) is an existing program that offers technical and financial assistance to help communities relieve imminent threats to life and property caused by floods, fires, and other natural disasters that impair a watershed.

The EWPP—FPE needs to be reformed to help farmers reduce the financial impact of floods and use their flood-prone land for more profitable purposes that improve the health of people, wildlife, and rivers.

Rising Costs: Farmers enrolled in the Federal Crop Insurance Program reported that flooding caused \$29 billion in damages in the last decade.

Frequently Flooded: Flooding is the most prevalent natural disaster in the United States. Over 90% of natural disasters involve some kind of flooding. On average each year, flooding causes \$8 billion in damages and 82 fatalities.

In Demand: Requests for easements greatly exceed awards. Despite the valuable assistance of the program, concerns remain with the implementation of EWP, including its eligibility requirements and approval processes. Funding for floodplain easements is rarely available in where flood damages occur.

How Congress Can Help

This next farm bill needs to be better, not just bigger. We urge Members of Congress to introduce legislation to reform USDA's Emergency Watershed Protection—Floodplain Easement Program.

Congress needs to help farmers, landowners, and ag producers manage flood prone land to protect people, reduce the cost of disaster recovery, improve water quality, and conserve habitat for fish and wildlife.

Recommendations

Fund long-term flood damage reduction strategies

Establish a voluntary, open-enrollment program to benefit agricultural producers increase resiliency to floods.

Establish a tracking system for floodplain easements

The existing Conservation Effects Assessment Project (CEAP) offers one important opportunity to conduct an evaluation of floodplain easements.

Require USDA to collaborate with economic experts

This research should include evaluation of alternative funding sources for floodplain easements based on their provision of marketable ecosystem services.

Require USDA to work with FEMA and USACE to track damages

The USDA needs to track where flood and excess rain/moisture damages through programs administered by FEMA and the USACE. This would identify properties that are at the most at risk of flooding, and help prioritize investments.

Require USDA to develop Best Management Practices to reduce flood damages in the Ag sector

These recommendations could include flood-compatible recreational uses like hunting and fishing, crop modifications that are flood-tolerant, and alternative land uses like grazing.

Require USDA to improve guidance on floodplain restoration to meet natural resource challenges

NRCS needs to develop clear guidance on how farmers can maximize the multiple benefits of floodplain restoration.

Remove land-tenure requirements

This reduces unnecessary paperwork for landowners and [NRCS] staff and delivers funding where it's needed most.



Photo Credit: Sarah Kennedy.
[<http://www.americanrivers.org/investinrivers>].

Payments provided to landowners will allow them to put their land to work to provide flood storage. If landowners are reimbursed for flood storage-compatible uses of the floodprone areas of their property, flood damages will be reduced.

American Rivers is championing a national effort to protect and restore all rivers, from remote mountain streams to urban waterways. Healthy rivers provide people and nature with clean, abundant water and natural habitat. For 50 years, American Rivers staff, supporters, and partners have shared a common belief: Life Depends on Rivers. www.AmericanRivers.org.

ATTACHMENT 2

The Multiple Benefits of Floodplain Easements

An Assessment of Demand for Floodplain Easements in the Upper Mississippi River Basin

OLIVIA DOROTHY, *Restoration Director*

September 2022



Photo: Chris Young.

Description: Floodplain easements are a land-management strategy that compensates landowners for permanently conserving flood-prone land. Floodplain easements provide multiple benefits, including storage of floodwater on the land, wildlife habitat, improved water quality and more.

This report reviews the unmet demand for floodplain easements in the Upper Mississippi River Basin and makes a case for annual appropriations via a new or reformed U.S. Department of Agriculture floodplain easement program. This report updates American Rivers' 2011 report *Multiple Benefits of Floodplain Easements: An Assessment of American Recovery and Reinvestment Act Funded Emergency Watershed Protection Program Floodplain Easements in the Upper Mississippi River Basin*.

American Rivers would like to thank the Walton Family and Lumpkin Family Foundations for their generous support of this report.



Photo: Chris Young.

Land Acknowledgement

We respectfully acknowledge that we are working on the traditional and ancestral lands of many Indigenous People who have called this land home since the beginning, those who continue to call the area home and the Indigenous leaders yet to be born.

This report discusses land in the states of Illinois, Iowa, Minnesota, Missouri and Wisconsin. These lands include the following sovereign Indigenous nations and communities: Red Lake, Grand Portage, Bois Forte, Leech Lake, White Earth, Fond du Lac, Mille Lacs, Prairie Island, Shakopee Mdewakanton Sioux, Red Cliff, Bad River, Lac du Flambeau, Lac Courte Oreilles, St. Croix Chippewa, Potawatomi, Sokaogon Chippewa, Menominee, Stockbridge Munsee, Oneida, Ho-Chunk, and Sac and Fox.

This report focuses on agricultural disasters in the states of Illinois, Iowa, Minnesota, Missouri and Wisconsin. Maize is the primary crop grown in the region, and is the foundation of the economy in the study area. As such, we amplify the history and agricultural ingenuity of the Indigenous Peoples of the Americas for the cultivation of maize.

We acknowledge colonization's legacy and the errors, omissions or erasures our acknowledgement may manifest. Learn more about Indigenous territories and land acknowledgement at www.Native-Land.ca.

To the best of our knowledge, prior to colonization, this land was part of the following Indigenous nations:

Očhéthi Šakówinj	Kiikaapoi (Kickapoo)
Quapaw	Peoria
Myaamia	Sauk and Meskwaki
Menominee	Bodéwadmiakiwen (Potawatomi)
ᑭᑎᑎᑎᑎ ᑭᑎᑎᑎ ᑎᑎᑎᑎ ᑎᑎᑎᑎ (Osage)	Waazija (Ho-Chunk/Winnebago)
Iowa	Wahpeton
Kaskaskia	

Introduction

The purpose of this report is to review the need to expand access to U.S. Department of Agriculture (USDA) floodplain easements. Currently, USDA floodplain easements and flood damage-reduction investments are made through the Emergency

Watershed Protection (EWP) Program, the EWP Program—Floodplain Easement Program (EWPP–FPE) and the Watershed Protection and Flood Prevention Program (WFPO) of the Natural Resources Conservation Service (NRCS).

Under the EWP and WFPO, NRCS provides disaster-recovery assistance to communities and landowners to protect infrastructure and land. The floodplain easement (EWPP–FPE) option is unique in that it funds permanent conservation easements that alleviate threats to life or property, as well as slowing runoff and preventing soil erosion. These programs are critical to landowners in the Upper Mississippi River Basin (UMRB) because flood and excess rain/moisture are the most widespread and frequent cause of crop losses in the region. Flood and excess moisture losses occur more frequently and impact more acres than drought, which is often considered the primary agricultural threat in the area.

The demand for flood assistance is very high, but these programs do not receive consistent, annual funding. Many years, Congress makes no funds available in the UMRB for flood damage-reduction projects of any kind, despite the recurring costs of damages from flood and excess rain/moisture. The cost of damages from flood and excess rain/moisture ranks second only to drought in the UMRB, and these damages are escalating due to climate change.

The NRCS is uniquely situated to serve a critical role in reducing flood risks and flood damages in the UMRB. Floodplain easements can help landowners avoid future losses through restoration of natural conditions that can store and safely convey floodwater.

Our report reviews cause-of-loss data for flooding and excess rain/moisture, and makes a case for Congress to invest more in pre-disaster mitigation programs for farmers. In particular, we recommend reforming the EWPP–FPE to enroll acres annually. This would provide the NRCS with a better tool that uses the natural ability of floodplains to store, slow and filter waters to protect property and people, while enhancing natural resources for multiple benefits.

Easements through the NRCS can directly reduce future flood losses in the agricultural sector without requiring property acquisition. The restoration and reconnection of natural floodplains to accommodate flooding will have the added benefits of increased water quality, low-maintenance wildlife habitat and marketable recreational opportunities for landowners, tourism economies and adjacent communities.



Photo: Roy Plasscheart and Lighthawk.

What are Floodplains?

Floodplains and Wetlands as Ecosystems

Floodplains and wetlands are often indistinguishable to the layperson. However, they are different landscape features and ecosystems.

Floodplains are areas of land that become inundated with water during or following precipitation events and are adjacent to a permanent or ephemeral water body, like a river, stream, lake or pond. Floodplains are the transition zone between the aquatic and terrestrial ecosystems.

In contrast, wetlands are areas of land with hydric soils, water-loving plants and the presence of water just below or above ground level. Wetlands are a common feature in a floodplain. However, floodplains often have areas that lack the three requisite wetland features.

The Multiple Benefits of Functional Floodplains

One of the goals of the EWPP-FPE is to restore floodplain lands to their natural, functioning condition. A “functional floodplain” is a floodplain that can perform the natural processes that produce goods and services. The four key attributes (Loos and Shader 2016) necessary for a floodplain to be functional are:

1. **Connectivity:** The floodplain is physically accessible by water from its adjacent river or stream to allow an exchange of water, nutrients, sediment and organisms.
2. **Variable Flow:** The connected river can produce flows with magnitudes large enough to inundate the floodplain. These flows must occur with the necessary timing, duration, magnitude and frequency to support native, local biota.
3. **Scale:** The floodplain must have the space to accommodate inundation and the resulting habitat and landscape-forming processes.
4. **Habitat and Structural Diversity:** The floodplain must have diverse sediment-erosion and -deposition conditions, gradients of hydrologic connectivity, ecological succession and naturally accumulated debris to generate habitat supportive of terrestrial and aquatic organisms.

Investing in functional floodplain restoration and protection projects yields significant returns. Ecologically, floodplains rank second only to estuaries in their value to society per acre. Though they represent less than two percent of Earth’s terrestrial land surface, “floodplains provide approximately 25 percent of all terrestrial ecosystem service benefits” (Opperman, *et al.* 2010).



Photo: Crystal Dorothy.

Ecosystem services are the multiple benefits people obtain from a healthy environment. A functional floodplain can provide an array of benefits. These benefits produce economic gains related to floodwater conveyance, erosion management, water-quality improvements, groundwater recharge, biological productivity, fish and wildlife habitat, carbon storage, and improved quality of life through associated benefits related to recreation and culture (Task Force On The Natural And Beneficial Functions Of The Floodplain 2002) (Seavy, *et al.* 2009) (Kusler 2016).

Flooding versus Flood Damage

Flooding is a natural process that supports healthy river, riparian and wetland ecosystems. However, when property in flood-prone areas is developed, flooding can cause economic damages and threats to human health and safety.

In the Midwest, flooding is often characterized in two ways. Most frequently, flooding is thought of as overbank flow from a river or other water body. Flooding that is not due to overbank flow happens when the amount of precipitation or snowmelt exceeds the capacity of soil or stormwater infrastructure to absorb and/or convey the water. This second type of flood event is labeled by the USDA as “excessive moisture/precipitation/rain” or by the Federal Emergency Management Agency (FEMA) as “surface water runoff.” This type of flooding is often due to factors such as soil saturation, broken tile or stormwater infrastructure, or other physical limitations at a site that prevent water from being conveyed to the local stream or river.

The USDA differentiates between these two types of flooding. However, in this report, we consider both events as “flooding” for several reasons:

1. In Illinois, over 90 percent of flood-damage claims were outside the mapped floodplain between 2007 and 2014 (Winters 2015). This indicates that floodplain maps, which outline areas where overbank flow is likely to occur, only represent a fraction of the actual flood-prone land.
2. Climate change is driving significant and rapid changes in the areas subject to flooding due to both overbank flow and excess rain. A report for FEMA’s National Flood Insurance Program (NFIP) found that land areas subject to the one percent annual chance of an exceedance flood event will expand an average of 45 percent across the nation. In the UMRB states, this expansion of floodplain land will be even more pronounced, with land areas in parts of these states expected to double in size by 2100 under the most likely climate-change scenarios (Crowell, Rhodes and Divoky 2013).
3. Restricting the definition of flooding can result in projects that do not address the full range of flood scenarios. Failure to consider all of the flood “types” that can occur at a site (*i.e.*, overbank *versus* ponding) will inevitably fail to provide the best outcomes for people suffering from the economic and health consequences of flooding (see example).

Example: Yazoo Pumps, a costly pumping project that was proposed along the Mississippi River, was vetoed under the Clean Water Act. If the project had moved forward, it would have only provided very limited and delayed relief during “backwater” flood events and would have been ineffective during “headwater” flood events. The failure of land and water managers to consider solutions that would address both types of flood events drives wasteful investments that do not address the full range of needs in the community.

4. Awareness of the consequences of limiting the definition of “flooding” has led FEMA to reform the NFIP rating system. NFIP rates will no longer be based on whether a property is in or out of the mapped floodplain (though mortgages will still require flood insurance if the structure is inside the mapped floodplain). As of 2022, rates will be based on other factors, like how close a property is to a source of overbank flooding and flood history data (FEMA 2022).
5. Many counties that report frequent flood losses also report frequent excessive rain/moisture losses. For a recent report by the Environmental Working Group, crop insurance “hot spots” were mapped throughout the Mississippi River Critical Conservation Area. Results show that many counties that report frequent losses due to “flood” are also reporting losses due to “excess moisture” (Schechinger 2022).
6. The landscape has been so significantly modified in the UMRB that it is hard to say where rivers and streams were located prior to cultivation or development (see *Table 1*). As such, an area may no longer appear to be an actual river, but may still be a low point that conveys water during rain events. Many floodplains along small water bodies that have long since been drained will still convey water during flood events.

Table 1: Protected Natural Areas as a Percent of Land.

Illinois	2.20%
Iowa	1.46%
Minnesota	10.34%
Missouri	6.28%
Wisconsin	9.90%

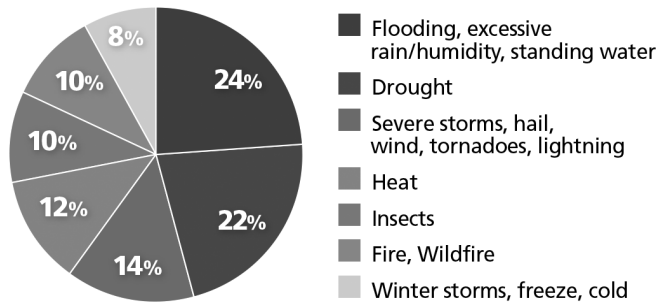
The vast majority of land in the UMRB states has been modified for agriculture and/or urban development (Natureserve 2022).

Because of these reasons, it is difficult to understand whether any type of flood event is truly an “overbank” event, due to shortcomings of natural and/or human-made drainage infrastructure or some combination of both. As such, for the purposes of this report, we review the information and data about flooding in all of its manifestations in order to better understand how precipitation with climate change is impacting farmers and the agricultural economy

Floodplain & Wetland Easements as Risk Reduction Tools

In the agricultural landscape, both floodplains and wetlands can be subject to extreme and recurring inundation to the extent that such land cannot be productive. Easements offer landowners a means to take marginal, flood-prone land out of production and conserve it in a more natural state. Under NRCS conservation programs, wetlands are eligible for the Wetland Reserve Easements, and other frequently inundated land that does not meet the three wetland criteria are eligible for EWPP–FPE.

Figure 1: Flooding is the most frequent and widespread agricultural disaster in the Midwest.



Twenty four percent of all county-level disasters declared by the USDA between 2012 and 2021 included flood or excessive water damages (USDA Farm Service Agency 2022).

When an easement is purchased by the USDA Natural Resources Conservation Service, landowners still retain ownership rights and rights of use. However, certain uses are limited through the duration of the easement. Both wetland and floodplain easements are subject to restoration projects to rehabilitate lost ecosystem functionality and habitat that are compatible with each site.

Despite their similar role in restoring marginal flood-prone land, Federal funds for wetland and floodplain easement programs are appropriated differently. The Wetland Reserve Program receives annual appropriations to allow the USDA to enroll acres into easements yearly. However, EWPP–FPEs are only funded through supplemental disaster appropriations. Floodplain easements are only offered by the NRCS when and where funds are released during a Presidentially declared disaster, pursuant to the Stafford Act.

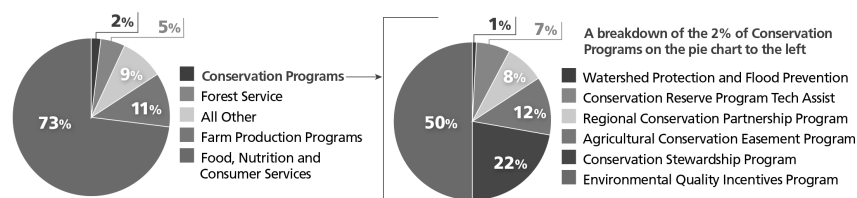
In the UMRB, EWPP–FPE funds have only been available to farmers in the Fiscal Years 2009 and 2019. By comparison, the Secretary of Agriculture has declared agricultural disasters due to flooding and excess rain/moisture in UMRB counties 2,512 times between 2012 and 2021 (see *Figure 1*). Over this 10 year period, these flood events have impacted a cumulative 62 million acres and have cost farmers and taxpayers over \$8 billion (consumer price index (CPI)-adjusted using U.S. Bureau of Labor Statistics CPI Inflation Calculator to reflect buying power as of February 2022).

USDA Floodplain Investments

USDA natural resource conservation programs make investments that “reduce soil erosion, enhance water supplies, improve water quality, increase wildlife habitat, and reduce damages caused by floods and other natural disasters” (USDA n.d.). Conservation programs and easements are a minuscule portion of the USDA budget.

In Fiscal Year 2022, the USDA received \$198 billion to administer its farm- and food-related authorities. The conservation programs received \$5 billion, or just two percent of the total USDA budget. Of that \$5 billion, only \$225 million was put towards the NRCS’s primary flood-management programs, though none of this funding will be used to enroll floodplain easements in the UMRB. Between 2002 and 2020, conservation programs received over \$74 billion, and of that amount, only \$3.4 billion (or 4.5 percent) was put into the EWPP. Among other activities, these funds allowed NRCS to enroll 482,678 floodplain acres into the EWPP–FPE, or roughly 0.06 percent of the conservation acres that were administered by the NRCS (USDA 2020).

Figure 2: USDA Fiscal Year 2022 budget (left) and the conservation programs budget on the right (USDA 2022).



Key Findings

We found that there is a substantial unmet demand for investing in floodplain easements in the UMRB. Floodplain easements funded through the EWP Program are markedly underutilized, and there is significant need to enroll more acres to reduce flood damages. Floodplain easements have many benefits, ranging from protecting people from the impacts of climate change to promoting resilient economies. These reasons illustrate the need for a floodplain-specific easement-reserve program that is open to annual enrollment to enhance the NRCS agricultural conservation programs.

Need to protect people and the economy from climate change impacts

According to FEMA, flooding is the most frequent severe-weather threat and the costliest natural disaster facing the nation. Ninety percent of all natural disasters in the United States involve flooding (FEMA 2017). Across the nation, flooding has caused \$59.2 billion (CPI-adjusted) in damages over the last decade (NOAA National Centers for Environmental Information 2022). Over that same period, farmers enrolled in the Federal Crop Insurance Program (FCIP) reported \$29 billion in damages (CPI-adjusted) caused by floods and excess moisture, with the UMRB states representing 34 percent of those damages (USDA Risk Management Agency 2022). The cost of flooding impacts on the nation and in the UMRB is rising as precipitation increases, and damages are expected to continue to escalate as climate-change impacts intensify (see *Figures 4–6*, page[s] [63–64]).

In addition to the fact that flood-related crop damages are the most frequent and widespread cause of agricultural disasters, most of those damages have been subsidized through public funding, with UMRB states as top recipients (see *Table 2*). Unfortunately, these damages are entirely predictable. In Iowa alone, a recent study found that farmers have 450,000 acres of crops in the “2 year floodplain,” meaning there is a 50 percent chance of crop damage due to flooding every year (Yildirim

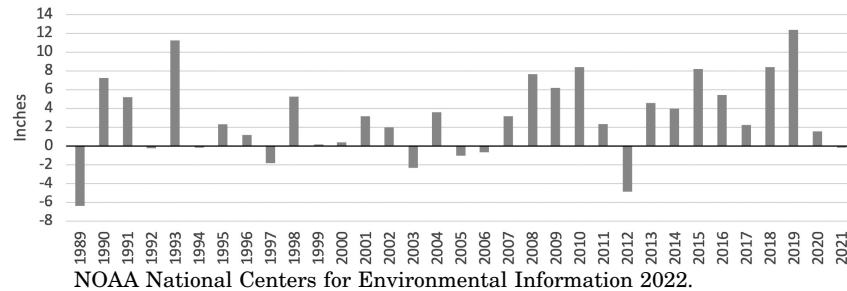
and Demir 2022). The combined effects of planting crops in frequently flooded areas and worsening flooding due to climate change are causing an overall increase in the number of acres flooded and disaster-aid spending that far outpaces producer-paid premiums.

But despite the significant and escalating amount of flood damage to crops on a regular basis, the EWPP and WFPO are only sporadically funded in the UMRB. Between 2011 and 2020, the USDA only invested \$267 million (CPI-adjusted) into these two flood damage-reduction programs in the UMRB, while agricultural flood and excess rain/moisture damages exceeded \$8 billion (CPI-adjusted) (see *Tables 3* and *4*, pages [65] and [66]).

Table 2: The UMRB sees more damages from flooding and excess rain/moisture than most other states for farmers enrolled in the Federal Crop Insurance program (USDA Risk Management Agency 2022).

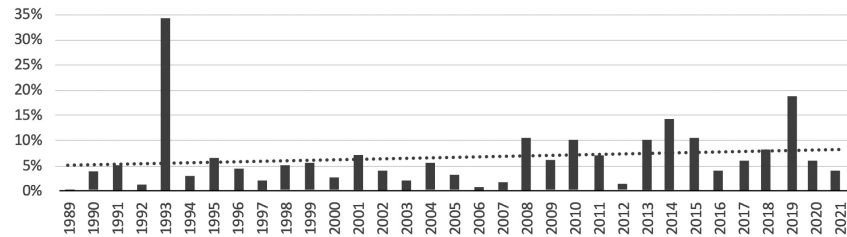
10 Year Total Acres Damaged by Flood and Excess Rain/Moisture (millions of acres).		10 Year Total Flood & Excess Rain/Moisture Damage Subsidies (Indemnities minus Producer Paid Premium). Adjusted for Inflation.	
1. North Dakota	16.6	1. North Dakota	\$2.8 Billion
2. Minnesota	16.2	2. Minnesota	\$2.5 Billion
3. Illinois	16.6	3. South Dakota	\$1.7 Billion
4. Missouri	13.8	4. Iowa	\$1.7 Billion
5. Iowa	12.2	5. Missouri	\$1.5 Billion
. . .		6. Illinois	\$1.5 Billion
15. Wisconsin	4.1	14. Wisconsin	\$688 Million

Figure 4: UMRB annual precipitation anomalies (inches of rain above or below the annual average rainfall of 32.62”s)



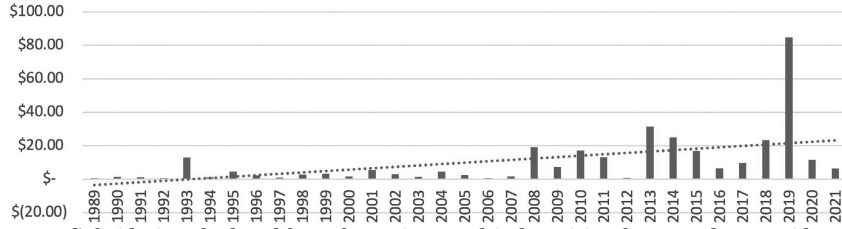
NOAA National Centers for Environmental Information 2022.

Figure 5: The number of acres damaged in the UMRB due to “flood” and “excess rain/moisture” as a percent of total acres planted under the FCIP.



The steady upward trend indicates that the increase in flooded and wet acres is not due to the overall increase in acreage enrolled in the FCIP. While the number of farmers enrolling more planted acres in the program has generally increased, flood and excess moisture damages are escalating due to other factors (USDA Risk Management Agency 2022).

Figure 6: Average subsidy per acre planted under the FCIP for flood and excess rain damages in the UMRB. Adjusted for inflation.



Subsidy is calculated by subtracting total indemnities from producer-paid premiums. This shows that the public is paying substantially more in disaster aid to farmers than in previous years, as flood and wet-weather events are becoming more frequent (USDA Risk Management Agency 2022).

Table 3: NRCS Watershed Protection and Flood Prevention program (WFPO), Emergency Watershed Protection program (EWP), total obligations, and percent of budget spent of flood mitigation by fiscal year. Includes technical and financial assistance and reimbursable fund types. In thousands of dollars. Not adjusted for inflation.

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Illinois																
WFPO	\$1,333	\$3,465	\$75	\$1,702	\$753	\$1,000	\$0	—	—	—	—	—	—	—	—	—
EWP	\$(90)	\$61	—	\$172	\$3,692	\$4,247	—	—	\$15	—	\$5	\$148	\$(1)	\$275	\$61	\$7,380
Total	\$70,183	\$60,060	\$59,562	\$61,133	\$59,507	\$74,776	\$73,700	\$77,710	\$74,571	\$73,749	\$81,294	\$84,453	\$96,715	\$89,162	\$93,740	\$151,551
% spent on Flood Prevention	2%	6%	0%	3%	7%	7%	0%	0%	0%	0%	0%	0%	0%	0%	0%	5%
Iowa																
WFPO	\$8,911	\$8,592	\$1,272	\$2,258	\$3,312	\$3,888	\$941	\$221	\$40	—	—	\$10	\$17	\$9	—	\$806
EWP	\$1	\$171	\$77	\$3,908	\$38,261	\$50,829	\$2,365	\$287	\$315	\$(3)	\$526	\$15	—	\$102	\$27	\$17,514
Total	\$110,314	\$102,484	\$104,731	\$114,701	\$142,235	\$170,796	\$159,225	\$151,861	\$148,678	\$137,725	\$114,010	\$115,370	\$126,696	\$127,296	\$147,905	\$169,856
% spent on Flood Prevention	8%	9%	1%	5%	29%	32%	2%	0%	0%	0%	0%	0%	0%	0%	0%	11%
Minnesota																
WFPO	\$877	\$209	\$198	\$195	\$610	\$396	\$1,062	\$517	\$33	\$(1)	—	—	—	—	—	\$1
EWP	\$989	—	\$846	\$832	\$1,722	\$525	\$142	\$694	\$103	\$610	\$5	\$197	\$36	—	—	\$106
Total	\$65,017	\$81,298	\$75,642	\$98,013	\$104,237	\$108,798	\$137,163	\$152,579	\$143,025	\$38,082	\$135,638	\$148,213	\$136,541	\$144,629	\$122,571	\$232,369
% spent on Flood Prevention	1%	0%	1%	1%	2%	1%	1%	1%	0%	0%	0%	0%	0%	0%	0%	0%
Missouri																
WFPO	\$9,816	\$11,327	\$5,568	\$4,294	\$2,424	\$5,527	\$357	\$4	\$5,116	\$14	\$5,593	\$5,692	\$5,603	\$25,739	\$5,119	\$17,317
EWP	\$138	\$(2)	\$148	\$4,045	\$44,806	\$25,561	\$7,061	\$31,720	\$7,271	\$660	\$1,439	\$9,284	\$959	\$22,086	\$2,773	\$36,503
Total	\$96,937	\$93,864	\$112,228	\$102,681	\$136,106	\$162,698	\$143,523	\$165,342	\$141,521	\$117,906	\$108,586	\$116,796	\$128,767	\$174,146	\$157,017	\$199,265
% spent on Flood Prevention	10%	12%	5%	8%	35%	19%	5%	19%	9%	1%	6%	13%	5%	27%	5%	27%
Wisconsin																
WFPO	\$376	\$113	\$23	\$2	—	—	—	—	—	—	—	—	—	—	—	\$1,987
EWP	\$57	\$23	\$243	\$891	\$22,414	\$5,408	\$243	\$6	\$1,559	\$69	\$289	\$83	\$23	\$156	\$286	\$636
Total	\$66,794	\$53,081	\$50,682	\$63,019	\$98,099	\$76,546	\$69,915	\$78,239	\$83,424	\$72,904	\$73,946	\$70,969	\$84,995	\$94,127	\$113,768	\$134,253
% spent on Flood Prevention	1%	0%	1%	1%	23%	7%	0%	0%	2%	0%	0%	0%	0%	0%	0%	2%

Source: NRCS Soil and Water Resources Conservation Act data.

Table 4: Flooding or excess rain/moisture has been among the most expensive causes of loss each year in the UMRB.

Cause of Loss	Total Indemnities (millions of dollars)*	Subsidy (Indemnity minus Producer Paid Premium) (millions of dollars)*	Acres Impacted (millions of acres)
10 Year Total: Flood/Excess Rain	\$8,285.6	\$6,933.9	61.6
10 Year Total: Drought	\$9,978.8	\$8,967.9	50.6
2021			
1. Drought	\$553.9	\$467.6	4.1
2. Flood/Excess Rain	\$300.7	\$171.6	2.2
3. Severe Storms	\$50.4	\$36.6	0.3
2020			
1. Severe Storms	\$443.4	\$377.8	2.0
2. Flood/Excess Rain	\$404.9	\$326.7	4.4
3. Drought	\$320.7	\$264.3	3.7
2019			
1. Flood/Excess Rain	\$2,117.3	\$1,854	14.1
2. Cold/Freeze	\$213.5	\$193.9	1.1
3. Severe Storms	\$69.6	\$61.5	0.6
2018			
1. Flood/Excess Rain	\$620.5	\$519.5	6.3
2. Drought	\$292.9	\$245.5	2.7
3. Revenue Losses	\$137.6	\$91.5	2.8
2017			
1. Flood/Excess Rain	\$330.6	\$219.2	4.4
2. Drought	\$225.0	\$184.5	2.2
3. Severe Storms	\$61.0	\$50.4	0.6
2016			
1. Flood/Excess Rain	\$257.2	\$192.9	2.9
2. Severe Storms	\$47.1	\$39.3	0.4
3. Revenue Losses	\$23.4	\$14.1	0.4
2015			
1. Flood/Excess Rain	\$1,077.7	\$927.3	7.9
2. Revenue Losses	\$88.3	\$57.4	1.4
3. Cold/Freeze	\$46.6	\$39.4	0.3
2014			
1. Flood/Excess Rain	\$1,472.6	\$1,273.4	10.7
2. Revenue Losses	\$1,426.3	\$1,141.3	15.3
3. Cold/Freeze	\$229.2	\$197.2	1.7
2013			
1. Drought	\$1,859.3	\$1,594.0	12.1
2. Flood/Excess Rain	\$1,600.8	\$1,412.4	7.6
3. Revenue Losses	\$1,272.0	\$979.8	11.3
2012			
1. Drought	\$6,473.0	\$5,999.2	23.5
2. Revenue Losses	\$611.2	\$548.5	1.5
3. Heat/Excess Sun	\$234.6	\$214.6	0.9
4. Flood/Excess Rain	\$74.9	\$36.3	1.1

* Adjusted for inflation. (USDA Risk Management Agency 2022)

Need to promote resilient local economies

Once established, natural floodplains provide many economic benefits, including a reduction in post-disaster spending, higher property-tax revenues and increased investment from businesses. Many economic benefits are derived simply from the desire of people to live and work in areas that are rich in natural resources, have beautiful landscapes and offer easy access to outdoor spaces for recreation. While these outcomes may seem aesthetic and unessential, they have proven and real economic benefits that can bring substantial amounts of jobs and revenue to local communities (Parsons, *et al.* 2020). As such, conservation easements enhance community resources and have many economic benefits for local communities. By providing payment to local landowners, floodplain easements can address one of the factors limiting the extent and services of natural floodplains.

Case Studies:

- A study of the La Grange Reach of the Illinois River evaluated the feasibility of naturalizing large areas of the floodplain. The study found that restoring connectivity to as little as 14 percent of the floodplain along the La Grange Reach of the Illinois River could provide 100 year flood protection to an additional 44 percent of the floodplain, thereby reducing flood damages in downstream communities. However, the study reported that the local economic impact of converting agriculture to floodplain was a key obstacle to restoring floodwater storage in floodplain areas (Sparks and Braden 2007).
- The Wetlands Initiative has estimated that restoring 3 million acres of wetlands and floodplains that were converted to agriculture in the UMRB could store more than 40 million acre-feet of floodwater while providing habitat for wildlife and reducing flood damages downstream (Hey, *et al.* 2004).
- A study in Waterbury, Vermont, found that a proposed floodplain restoration project would reduce annual building damages from flooding by approximately 20 percent (Schiff, *et al.* 2015).
- In Napa County, California, the Napa River Food Protection Program has invested \$550 million to protect and restore over 1,000 acres of wetland and riparian habitats, reducing property damage by \$1 billion over the life of the project (Kershner and Gregg 2021).

Need to increase conservation opportunities in floodplains

Floodplain easements expand the effectiveness of NRCS conservation programs by “filling in the gaps” between existing conservation areas. Floodplain acres cannot compete within the Conservation and Wetland Reserve Easement Programs because current program guidelines discourage restoration investments that are at risk of being damaged by flooding.

While the EWPP–FPE can purchase easements on land that is largely ineligible for other conservation programs, the EWPP is a post-disaster recovery program. Congress only releases easement funds in the wake of disaster declarations under the Stafford Act, which so narrowly defines what constitutes a disaster that it severely limits the ability of farmers to set aside unproductive, flood-prone land. Since the EWPP–FPE was established, it has only been open for enrollment twice in the UMRB, despite the annual [occurrence] of agricultural disasters due to flooding (USDA Farm Service Agency 2022). Both times the EWPP–FPE was open for enrollment, the NRCS was able to combine the floodplain easements with adjacent land that did qualify for wetland easements to create large contiguous conservation areas that restored critical riparian habitat.

Example: In Illinois, farmers in Alexander County lost their levee along the Mississippi River during flooding that occurred in 2015–16. EWPP–FPE funds were not released until the 2019 Flood, forcing farmers to wait in limbo for years on land that could not be accessed or farmed. These farmers also could not compete for funding under the Conservation and Wetland Reserve Easement Programs.



Photo: Olivia Dorothy.

Farmers in the UMRB need more investments and opportunities for pre-disaster hazard mitigation, especially as climate change is driving an expansion in land areas prone to recurring flood damages (Crowell, Rhodes and Divoky 2013). Acres that may not have flooded in the past will be susceptible to frequent flooding now and in the future. Reforming the EWPP–FPE to receive annual appropriations for enrollment would give farmers more options.

Need to increase flood water storage

As discussed, the UMRB has seen an increase in spring rainfall over the past 30 years. Experts anticipate further increases in rainfall, with swift transitions from flood to drought conditions (USGCRP 2018).

Floodplain easements have the potential to provide significant flood storage. Floodplains provide space for floodwaters to safely spread out, slowing in velocity and reducing flood peaks, and enhancing the effectiveness of flood risk-management structures that protect people and property. Healthy, ecologically functional floodplains have the capacity to hold tremendous quantities of water.

Wetlands, an ecosystem feature commonly found in floodplains, can store 1 to 1.5 million gallons of floodwater per acre (USEPA 2001). Floodplains are also recharge zones for aquifers, which means that during flood events, they allow water to infiltrate into groundwater reservoirs (Maples, Fogg and Maxwell 2019). This function is important to lower flood stages and store water in the underground aquifer system, where it can be tapped during future periods of drought.

Need to reduce nitrogen and phosphorus in the Mississippi River

Excess nitrogen and phosphorus loading in the Mississippi River causes toxic algal blooms in local water bodies and the Gulf of Mexico. Phosphorus and nitrogen pollution can also contaminate drinking water and devastate aquatic ecosystems. But despite the establishment of the Mississippi River/Gulf of Mexico Watershed Nutrient Task Force in 2008, the region is not reaching its pollution-reduction goals (USEPA 2021).

Floodplain restoration is an effective downstream nutrient-removal tool. Studies show that floodplain restoration may be more effective than wetlands, and other best management practices, in removing nitrogen, and can also remove both nitro-

gen and phosphorus from the water column (Gordon, Dorothy and Lenhart 2020). Enrolling more acres into floodplain easements will help reduce nutrient pollution loads in the Mississippi River and Gulf of Mexico.

Need to prevent extinction of species

We are in the midst of a massive extinction event, with the rate of species extinction at 1,000 times the background rate (Pimm, *et al.* 2014). In response, President Biden committed to conserve 30 percent of the nation's land and water resources by 2030 in order to mitigate and adapt to climate change and protect biodiversity (Biden 2021). The UMRB states have an important role in land and water conservation because they are part of the Mississippi River corridor, which supports 780 species of wildlife—38 percent of all animal species in North America (Mississippi River Network n.d.).

Freshwater species are the most at-risk species per unit area on earth (Wilson 2016). The main causes of freshwater species extinction are habitat loss/degradation, water pollution and over-exploitation. Degradation of aquatic habits is the most common of these drivers, and is caused by agriculture, urbanization, infrastructure (dams and levees) and logging (Collen, *et al.* 2017). All medium to large U.S. rivers, including the Mississippi, Missouri, Ohio and Illinois Rivers, rank in the highest categories of concentrations of imperiled biodiversity in the nation (Hamilton, *et al.* 2021) (FAO 2020).

Functional floodplains are essential habitats for freshwater species because they are highly dynamic and productive (Kusler 2016). Floodplain easements would help the U.S. meet not only its goals to adapt to climate change that are discussed elsewhere in this report, but also its goals to conserve land and water resources to protect biodiversity.

Need to expand use of permanent easements

Permanent easements, such as the EWPP—Floodplain Easement Program, increase the overall efficiency of the program because by doing so it allows for the minimization of a long-term Federal role and provides the greatest benefits to the watershed and the communities living downstream. As these floodplains are repeatedly flooded in the future, post-disaster spending will be reduced, and the floodplains will establish high-quality habitat for wildlife and provide other human and environmental benefits.

Need to meet demand for floodplain easements in the UMRB

Not only will the expanded use of floodplain easement provide many economic and environmental benefits, but farmers also want the program. Throughout the UMRB, an unmet demand exists for funding to invest in floodplain easements. Since the EWP Program was established, NRCS in the UMRB has received 2,210 applications, but less than ten percent of total applications and 16 percent of flood prone acres have been enrolled. Clearly, many farmers are interested in putting marginal, flood-prone acres into permanent easements. Expanding and reforming the EWPP—FPE Program to enroll acres annually would help meet this demand.

State	Total Applicants	Total Offered Acres	Awarded Applicants	Awarded Acres
IA	1,127	115,635	76	9,101
IL	362	10,829	30	4,685
MN	44	3,376	7	4,846
MO	325	45,010	45	6,717
WI	352	24,193	54	6,365
UMRB Total	2,210	199,043	212	31,714

*Data provided by NRCS from each state.

Discussion

Expanding the use of floodplain easements would address the above identified needs in the UMRB. The program is underutilized and there is a demand to enroll flood-prone acres into easement programs. Floodplain easements have many benefits that range from protecting people from flood damages to promoting economic wealth.

Family farmers are some of the best land conservationists, but they have very few to zero resources to properly conserve floodplain land in a way that maximizes benefits for society. Floodplains ecosystems are among the most important ecosystems in the world and more floodplain restoration is needed to address the converging threats of climate change and the extinction crisis.

But there are few, if any, resources for farmers to conserve floodplains, which keeps farmers stuck in an endless cycle of planting on flood-prone lands at the expense of Federal and state taxpayers. And it is getting worse as climate change causes more extreme flood and precipitation events in the UMRB region.

By promoting restoration of floodplains in recognition of their critical infrastructure services, Federal agencies can play a huge role in reducing risk to communities through restoring the natural floodplain condition, functions, and value, which in turn will improve water quality and wildlife habitat, among other benefits.

Expenditures on floodplain easements in agricultural areas can directly reduce flood damages incurred in that sector by reducing risky practices in flood prone areas. The Upper Mississippi River Basin holds a significant opportunity to retire sensitive agricultural lands subject to frequent flooding and flood damages. Through the conservation and restoration of floodplains, NRCS can expand the definition of “working lands” and play a significant role in providing flood protection to communities downstream.

Whatever the accounting method, there is little dispute that hazard mitigation through floodplain restoration and removal of structures in high-risk areas is the most economically efficient and guaranteed form of flood damage reduction. Indeed, every \$1 spent on flood mitigation yields a return of \$5 to \$8 in avoided losses (Multi-Hazard Mitigation Council 2019). As such, floodplain easements are a highly efficient, “bright green” flood damage reduction strategy.

Key Recommendations

Given the multiple benefits of investing in floodplain easements and the substantial unmet demand in the UMRB, we make seven key recommendations that will provide guidance on how to continue investments in floodplain easements to increase flood storage, reduce flood damages, and provide multiple beneficial services to communities and wildlife in the region.

1. **Congress should fund flood damage-reduction and floodplain easements annually.** These data illustrate that the UMRB states have both a need for flood-damage reduction and a sufficient number of willing landowners to enter into voluntary easements that exceeds the current disaster declaration-dependent funding structure for floodplain easements. These findings merit the establishment of a permanent, open-enrollment program that annually invests in the increased coverage of floodplain easements to benefit agricultural producers, increase resiliency to floods, increase safety of downstream communities and reduce taxpayer burden for repetitive damages.
2. **The NRCS should establish and implement a tracking system for floodplain easements.** This tracking system would document flood levels and damage reductions; ensure establishment of a resilient, flood-adapted natural community; and provide landowner guidance for managing easement lands for floods as well as other compatible uses. The existing Conservation Effects Assessment Project (CEAP) offers one important opportunity to conduct an evaluation of floodplain easements. This effort would be particularly useful as a component of an intergovernmental initiative to inventory and track data related to the protection and restoration of functional floodplains.
3. **The NRCS and USDA should collaborate with universities, the U.S. Geological Survey and independent experts on economic research that evaluates the total ecosystem services associated with retiring cropland within the areas of land that have a one percent annual chance of flooding (100 year flood zone).** This research should include evaluation of alternative funding sources for floodplain easements based on their provision of marketable ecosystem services. Transactions for watershed services and water-quality trading in the U.S. from roughly 1992 through 2008 amounted to \$9.75 billion (Stanton, *et al.* 2010).
4. **Congress should remove the land-tenure requirements that generate unnecessary paperwork for landowners and NRCS staff.** Requiring property owners to prove, and the NRCS to verify, that a particular owner has held a piece of property for more than 7 years adds an illogical eligibility barrier and creates another layer of paperwork for all parties. The requirement for property owners to have held a property for 7 years prior to the installation of a conservation measure or easement ignores the increasing frequency of severe floods and the rising recurrence of flood damages in agricultural areas. Properties incur damages regardless of owner or date of purchase.
5. **The USDA should work with FEMA and the U.S. Army Corps of Engineers (USACE) to track properties with recurring claims due to flood-**

ing, and prioritize those properties for enrollment. In 2012, when the UMRB was experiencing the most extreme drought event ever, flood and excess rain/moisture was still reported on 1.1 million acres (USDA Risk Management Agency 2022). The USDA needs to track where flood and excess rain/moisture damages are being reported within the FCIP, and through programs administered by FEMA and the USACE. This would identify properties that are at the most at risk of flooding, and help prioritize investments.

6. **The USDA should identify and make recommendations to farmers with flood-prone properties on flood-compatible farming practices that avoid repetitive losses.** As flooding becomes more frequent in the UMRB, the USDA needs to develop recommendations to help farmers reduce losses during flood events. These recommendations could include flood-compatible recreational uses like hunting and fishing, crop modifications that are flood-tolerant, and alternative land uses like grazing. These recommendations need to be developed across all programs to prevent losses on acres in production, husbandry and conservation.



Photo: Roy Plasscheart and Lighthawk.

7. **The NRCS should develop science-based guidance for state engineers regarding partial *versus* full removal of levees on properties with easements.** Several UMRB states have reported that a portion of current and past floodplain and other easement projects did not fully remove agricultural dikes or levees from properties. The reasoning for leaving these structures in place included a desire to limit the amount of earth disturbance or tree removal that full structure removal would cause, the added cost of necessary engineering studies, a desire to maintain some hydrologic control, concerns of adjacent property owners, scour protection and other factors. While each of these issues may be a valid concern at any given site, the NRCS must provide guidance to its field staff to ensure that the impacts associated with accommodating these issues are balanced against maximizing the services of floodplain storage and reducing long-term intervention needs.

Conclusion

There is a high demand for floodplain easements by landowners of marginal, flood-prone land, but current funding is unable to meet this demand and support floodplain easements as a flood damage-reduction approach.

And yet, the nation has spent over \$8 billion in the UMRB over the last decade on what is arguably preventable flood damage. As climate change drives more frequent, severe flood events in the UMRB, floodplain easements can help landowners avoid future losses through restoration of natural conditions that can store and safely convey floodwater.

Payments provided to landowners will also allow them to put their land to work to provide flood storage. If landowners are reimbursed for flood storage-compatible uses of the flood-prone areas of their property, flood damages will be reduced.

The NRCS is uniquely situated to serve a critical role in reducing flood risks and flood damages in the UMRB. Easements through the NRCS can directly reduce future flood losses in the agricultural sector without requiring property acquisition.

The restoration and reconnection of natural floodplains to accommodate flooding will also have the added benefits of improved water quality, low-maintenance wildlife habitat and marketable recreational opportunities for landowners, tourism economies and adjacent communities.

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LETTER 2

Monday, May 22, 2023

Hon. JAMES R. BAIRD,
Chairman,
 Subcommittee on Conservation, Re-
 search, and Biotechnology,
 House Committee on Agriculture,
 Washington, D.C.;

Hon. ABIGAIL [DAVIS] SPANBERGER,
Ranking Minority Member,
 Subcommittee on Conservation, Re-
 search, and Biotechnology,
 House Committee on Agriculture,
 Washington, D.C.

Dear Chair[man] Baird, and Ranking Member Spanberger:

On behalf of our nearly 60 partners, allies, and coalition networks, American Rivers submits this letter in support of reforming the U.S. Department of Agriculture's Emergency Watershed Protection Program—Floodplain Easement Program (EWPP-FPE) in the upcoming farm bill. As you and your Committee prepare to work towards a bipartisan, comprehensive, and robust legislative package, we are committed to working with you to enhance and reinforce our nation's legacy of locally-led, incentive-based, and voluntary conservation programs.

Over the last decade, we've seen increased flooding which leaves many farmers, landowners, and ag producers at risk. The economic impact of severe storms and flood disasters can be quite expensive. As a result, farmers experience crop loss, contamination, soil erosion, equipment and property loss, livestock loss, and debris deposition. To protect farmers from the headaches, hardships, and heartbreak of the financial and emotional setback, we support a set of recommendations to improve USDA's Emergency Watershed Program—Floodplain Easement Program. The goal of this legislation is to move this program into the farm bill permanently, so farmers can receive increased support from NRCS for financial and technical assistance. This will create certainty and ensure farmers can reliably and confidently count on a flood reduction and natural disaster assistance program that is rooted in rapid response, less redtape, and conservation with a purpose.

The U.S. Department of Agriculture's Emergency Watershed Protection Program—Floodplain Easement Program (EWPP-FPE) compensates farmers, landowners, and ag producers for permanently conserving flood-prone lands. However, this program needs to be expanded and reformed to incentivize farmers to participate on a much broader scale. Reforming the Floodplain Easement Program involves establishing a permanent voluntary and open-enrollment program, increasing funding for the program, creating a system of tracking, and reporting for floodplain easements, and drawing on expertise to quantify the economic benefits of functional floodplains.

Recommendations: The USDA Floodplain Easement Program needs to be reformed to enroll easement acres annually and make more substantial investments in flood damage reduction. To do this, Congress needs to include the following reforms in the 2023 Farm Bill.

1. **Fund flood damage reduction and floodplain easement programs** annually through USDA—Natural Resources Conservation Service.
2. **Establish a tracking and reporting system** for floodplain easements within the **Conservation Effects Assessment Project**.
3. **Require USDA to collaborate with economic experts** to better understand and quantify the ecosystem services provided by functional floodplains.
4. Ensure floodplain easements are **not subject to land-tenure requirements**.
5. Require USDA to **collaborate with the U.S. Army Corps of Engineers and the Federal Emergency Management Agency** to prioritize investments in areas subject to recurring flood damages.

6. Require USDA to develop **Best Management Practices to reduce flood damage** in the agricultural sector.
7. Require USDA to **improve guidance on floodplain restoration** to meet multiple natural resource challenges.

We urge Members of Congress to champion these policy recommendations in a standalone bill or as part a comprehensive legislative package that would expand the flexibility, accessibility, and the availability of the program to compensate farmers, landowners, and ag producers who set aside lands for floodplain easements. The proposal will further mitigate flood damages, and this is supported by a variety groups from across the country including farmers, food and ag think tanks, businesses, river groups, land trusts, water and state utility associations, faith groups, foundations, aquariums, enviros, and more.

The need for this legislation is obvious according to the numbers. In the last decade, *have seen nearly 10,000 agricultural-related disasters which amounted to over \$29 billion in crop damages.*^{1*} Nationally, farmers are being denied entry to the program despite the valuable assistance of the program. The current practice in place disincentivizes farmers from opting for floodplain easements that would conserve lands to the benefit of communities and surrounding ecosystems. We must do more to fix it now in the upcoming farm bill.

Flooding is a natural process, and the rivers provide critical infrastructure services to facilitate it strategically. Farmers today need flood reductions strategies that secure their futures in farming and protect their lands. Now more than ever, we need to reform the EWPP–FPE program to put these strategies into action. Expanding floodplain easements would improve water quality, enhance water storage and increase drought resilience, create new opportunities for restoration; opportunities to reduce crop damage, protect livestock and private property, enhance ecological function of watersheds, support recreation and compatible agricultural uses, and increase safety and security for the millions of people.

We urge Congress to enact policy measures that builds on our floodplain policy proposal to meet the demand of farmers across the country and supports healthy rivers, and the communities who depend on them.

Sincerely,

- | | |
|--|--|
| 1. ACRES Land Trust | 30. Micah Six Eight Mission |
| 2. Alabama Rivers Alliance | 31. Missouri Confluence Waterkeeper |
| 3. American Rivers | 32. National Association of Counties |
| 4. American Sustainable Business Network | 33. National Mississippi River Museum & Aquarium |
| 5. Association of State Floodplain Managers | 34. Natural Heritage Institute |
| 6. Belmar Farm | 35. New Mexico Wild |
| 7. Bozeman Birders | 36. New Mexico Wildlife Federation |
| 8. Californians for Western Wilderness | 37. Northern Prairies Land Trust |
| 9. Chesapeake Conservancy | 38. Ohio River Foundation |
| 10. Chicago Sierra Club | 39. Pasa Sustainable Agriculture |
| 11. Climate Reality Chicago Metro | 40. Project Eleven Hundred |
| 12. Climate Reality Project Regenerative Agriculture Coalition | 41. Responsible Alpha |
| 13. Cojujo Farm | 42. Rio Grande Headwaters Land Trust—del Norte, CO |
| 14. Contra Costa Resource Conservation District | 43. Rio Grande International Study Center |
| 15. Endangered Habitats League | 44. River Network |
| 16. Family Farm Defenders | 45. River Partners |
| 17. Farm Aid | 46. Shedd Aquarium |
| 18. Farmers Solidarity for Agricultural and Social Development (SOPADAS) | 47. Sierra Club |
| 19. Friends of the Big Sioux River | 48. The Barn Group |
| 20. Friends of the Chemung River Watershed | 49. The Ocean Project |
| 21. Friends of the Mississippi River | 50. The Wei LLC |
| 22. Healthy Ocean Coalition | 51. Vets United to Stop the Wall |
| 23. Hispanic Federation | 52. Water Environment Federation |
| 24. Hoosier Environmental Council | 53. Waterkeepers Chesapeake—Fair Farms Initiative |
| 25. Inland Ocean Coalition | 54. Wellsave/Food System CARE |
| 26. Institute for Agriculture and Trade Policy | 55. Western Nebraska Resources Council |
| 27. Iowa Environmental Council | 56. Western Slope Conservation Center |
| 28. Kansas City Zoo | 57. Wild Farm Alliance |
| 29. Lake Pepin Legacy Alliance | 58. Winyah Rivers Alliance |

¹ <https://www.americanrivers.org/resource/the-multiple-benefits-of-floodplain-easements/>.

* **Editor's note:** the report referenced, *The Multiple Benefits of Floodplain Easements*, is Attachment 2 of Letter 1, and is located on p. 56.

SUBMITTED QUESTIONS

Questions Submitted by Hon. Glenn Thompson, a Representative in Congress from Pennsylvania

Response from Terry Cosby, Chief, Natural Resources Conservation Service, U.S. Department of Agriculture

Question 1. The Inflation Reduction Act contained nearly \$20 billion in additional farm bill conservation funding. Chief Cosby, can you please tell the Committee how exactly your agency plans to spend that money. For example, what practices and enhancements are you addressing in EQIP and CSP, how are you targeting the money in ACEP and what have you done in RCPP?

Answer. For Fiscal Year 2023 (FY23), NRCS will prioritize Inflation Reduction Act (IRA) funds for projects that implement climate-smart agriculture conservation activities targeted to assist agricultural producers and nonindustrial private forestland owners in directly improving soil carbon, reducing nitrogen losses, or reducing, capturing, avoiding, or sequestering carbon dioxide, methane, or nitrous oxide emissions, associated with agricultural production. Where co-benefits exist with climate mitigation goals, IRA funds may support projects that address water resource concerns and associated risks.

In FY23, NRCS began implementing IRA funding through its initial list of climate-smart agriculture forestry (CSAF) mitigation activities. This list includes approximately 40 Environmental Quality Incentives Program (EQIP) conservation practices and 95 Conservation Stewardship Program (CSP) enhancement activities. Conservation practice implementation begins with conservation planning that can serve as a springboard into program participation. Plans are developed in partnership with the producer to address producer resource concerns in alignment with agricultural or forestry objectives. Producer driven conservation plans may include CSAF activities and a broader array of practices and activities to address a single or multiple resource concerns. Conservation practices that facilitate management, or the function, of a CSAF mitigation activity may be planned as applicable. NRCS is currently evaluating additional practices and associated enhancements to ensure that an updated CSAF activities list reflects the latest quantification methodology and latest data and science.

NRCS prioritized IRA Agricultural Conservation Easement Program (ACEP) funding this year for grasslands and wetland soil types that would best achieve identified climate benefits, and we funded 75 enrollments. In FY23, the IRA ACEP was oversubscribed, funding only 29 percent of the applications received. In FY24, NRCS plans to expand priority enrollment areas and land types identified that support IRA priorities to most reduce, capture, avoid, or sequester carbon dioxide, methane, or nitrous oxide emissions associated with land eligible for the program. ACEP overall continues to be oversubscribed, even with additional funding from the IRA. NRCS is working to improve delivery of EQIP and ACEP, including streamlining administrative processes, proactively certifying eligible entities, and ensuring knowledgeable and trained staff are able to process the additional transactions.

For Regional Conservation Partnership Program (RCPP), NRCS provided \$500 million in FY23, with \$250 million in IRA RCPP funds and \$250 million in farm bill RCPP funds. NRCS also targeted up to \$50 million to prioritize Alternative Funding Arrangements (AFAs) with Indian Tribes. IRA funding provided an opportunity to streamline and simplify the program. NRCS is working on program improvements to enable USDA to efficiently implement IRA funding for the program while improving the experience for partners, agricultural producers, and employees.

Question 2. CBO expects that from the \$4.95 billion in IRA funding, the Regional Conservation Partnership Program (RCPP) will only be able to spend \$3.9 billion, and it looks like this money will go out the door especially slow in the early years. Chief Cosby, how does your agency plan to effectively administer these dollars for a program that is authorized at \$300 million per year and doesn't spend that much annually?

Answer. NRCS is actively working to improve the delivery and administration of RCPP. Some of the improvements will allow us to simplify agreements while remaining in compliance with statutory and regulatory requirements, streamline and reduce evaluation criteria, reduce the time to complete RCPP easement transactions, improve the RCPP Portal, provide consistent guidance and training for employees and partners, as well as simplify the technical assistance structure. We anticipate demand for RCPP will steadily grow as we continue our outreach and improvement efforts to make the program more accessible to interested groups and participants.

Question 3. As you know, the Inflation Reduction Act authorized \$8 billion for EQIP. However, the law also removed the existing requirement that at least 50% of EQIP funding support livestock producers. Chief Cosby, can you commit to the Committee today that livestock producers will be given fair consideration and will receive contracts through this funding?

Answer. Livestock and non-livestock operations have the opportunity to compete for both IRA funds and general farm bill dollars. Applications are based on resource concern criteria (for IRA, based on climate-smart related concerns and activities (CSAF)). There are numerous activities that livestock producers are eligible for within the IRA funding; we anticipate their applications will compete well for IRA funds. Outreach and engagement to reach new producers will include both crop and livestock producers, and for livestock producers highlighting the key activities available.

Question 4. Chief Cosby, do you agree that the locally-led component of the farm bill conservation programs is what makes them so popular and successful with producers? It concerns me that the conservation funding in the Inflation Reduction Act has restrictions on how that money can be spent. We have heard from stakeholders that are displeased that popular and effective practices and programs aren't being used to their full potential. Do you believe in broader authorities that allow for growers to build upon other climate benefits that may not be directly linked to carbon sequestration or greenhouse gas reduction, and would you agree that the IRA restrictions violate the principles of locally-led conservation?

Answer. NRCS is best known for incentive-based, voluntary and locally-led conservation programs. The locally-led process is compatible with IRA authorities. Priorities are still being set using this process and State Conservationists are working with State Technical Committees to consider input and feedback. The additional investment in the programs identified in IRA are investments for producers seeking additional support to address conservation needs.

Question 5. Chief Cosby and Administrator Ducheneaux, which agency is taking the lead on administering and implementing the Climate-Smart Commodities Partnership Program?

Answer. This is a Departmental effort, and the opportunity is housed in NRCS.

Question 6. Chief Cosby, last week the Forestry Subcommittee heard from U.S. Forest Service Chief Moore, and he stated forestry and timber harvesting was "certainly climate-smart." Do you agree with Chief Moore? Of the Climate-Smart Commodities Partnership projects selected by USDA, only nine of the 141 projects were timber or forest related. Is the USDA aware that it can maximize our forests' ability to sequester and store carbon through forest management and timber harvesting?

Answer. Forestry is definitely an important component of climate-smart agriculture and forestry efforts. The overarching commodity for nine of the tentatively selected projects under Partnerships for Climate-Smart Commodities is timber and forest; many of these projects are expanding markets for multiple climate-smart commodities. In addition, multiple projects have forest or forest products as a major commodity and/or are applying practices such as Tree/Shrub Establishment, Agroforestry, Forest Stand Improvement and other climate-smart tree or forest related practices. As is the case with all conservation activities and land uses, we make sure the eligible list of climate-smart activities is updated to reflect the latest data, science, and a systems approach.

Question 7. Chief Cosby, in California in 2020 alone, wildfires burned 4.3 million acres, emitting an estimated 112 million metric tons of carbon dioxide. The Department estimates that Climate-Smart Commodities Projects will sequester 60 million metric tons over the 5 year program. This means that in 1 year, in one state, nearly twice the amount of carbon was emitted than these projects will sequester. Can you share with this Committee why the USDA is prioritizing these "climate-smart" efforts instead of addressing the wildfire crisis on forested landscapes?

Answer. Funding to provide climate-smart technical and financial assistance through the Partnerships for Climate-Smart Commodities and existing farm bill conservation programs does not take away from the extensive assistance NRCS provides related to wildfires. NRCS routinely assists in the installation of fuel breaks and fire breaks, as well as fuel load reduction activities and prescribed burns on private lands, all of which can reduce both the occurrence and intensity of wildfires. We also provide important support and assistance in recovery efforts after wildfires. The efforts at NRCS are in addition to those items discussed by the U.S. Forest Service to address forest health.

Question 8. Chief Cosby, can you detail how your agency has been involved with the climate-smart grants and can you give us an update on how those are pro-

gressing? How much of that money has gone out of the ground, how many agreements have been signed, *etc.*?

Answer. This Departmental effort is housed in NRCS. In collaboration with the Farm Production and Conservation (FPAC) Under Secretary's office and many others throughout the Department, as of May 2023, we have been able to execute over 60 percent of the first funding pool grants, obligating over \$2.2 B to date with more grant agreements approved each day. I am sure you are interested to know grants have been executed impacting your own state, including those led by Pennsylvania Association of Sustainable Agriculture and Pennsylvania State University. Each project will start their producer signups based on the timeline in their grant, and some already started this Spring.

Question 9. Chief Cosby, can you give us an estimate on how much of the \$3.1 billion will go to direct financial assistance to farmers and how much goes to the overhead of the partners? What do you anticipate will be the non-Federal investment in the Climate-Smart Commodities pilot?

Answer. Expanding climate-smart markets for producers is the core goal of these grants, and the "direct" financial assistance to producers varies by project. Each project has a different breakdown of assistance to producers for climate-smart practices, measurement, monitoring, reporting and verification, marketing incentives and other activities necessary to support those markets. The non-Federal investment is anticipated to be over \$1B and likely about 50 percent of the Federal investment.

Question 10. Chief Cosby and Administrator Ducheneaux, when staffing for local offices, what are the onboarding processes for your agencies and how are new staffers gaining the requisite local knowledge they need to succeed?

Answer. Onboarding for an employee includes the agency—NRCS and FSA—as well as coordination with the FPAC Business Center. The Business center includes engagement on necessary equipment, network access, and overview of completion of required employment forms. It is also a central location for respective benefits, time-sheets, learning, and key new employee engagement.

From there, each agency works on their respective onboarding and training process.

The timeline for training is dependent on employee experience and the position of the new employee. State, local, and county practices influence the employee onboarding processes. While both agencies have core outlines of agency expectations and deliverables, training is handled by the direct supervisor and often colleagues within the local district or office. The supervisor provides the new employee with expectations, guidelines, and policies for the office and agency.

At NRCS, over the first few months, the supervisor assesses the employee skills and abilities that form the basis of the employee's training plan. One of the primary and critical pieces of employee onboarding is acclimating the new employee to the local work unit including introductions to many of the local partner organizations and agricultural groups as well as the local Conservation District staff. NRCS training includes prioritized time spent in the field to familiarize the new employee to the local work unit including its resource issues and concerns to ensure an understanding of local agricultural practices and knowledge.

Similarly, FSA's onboarding process includes not just the programs and protocols but an awareness of the local procedures and agricultural needs of the county the office serves. Several common training approaches are utilized when onboarding new staff in FSA offices to ensure staff are gaining the knowledge and skills required to service our nations producers. These include:

- **Mentoring:** New employees often receive guidance and support from experienced colleagues who act as mentors. With their wealth of experience, mentors answer questions and offer valuable insights to new employees to foster growth and propel them towards success.
- **One-on-One Supervisory Instruction:** Supervisors provide personalized instruction to new employees, helping them understand their roles, responsibilities, and the agency's expectations.
- **On-the-Job Training:** Hands-on experience is an essential aspect of the onboarding process. New employees engage in practical tasks and learn by actively participating in their assigned responsibilities.
- **Utilization of Technology:** Available technology resources, such as the Teams environment, are utilized to provide interactive and hands-on training opportunities for remote or dispersed employees.
- **Agency Provided Curriculum:** Farm Service Agency often provides specialized training curriculum (often through program handbooks) tailored to the specific

needs and requirements of different positions. This curriculum covers important topics related to agricultural programs, policies, and procedures.

- Two positions at FSA have a comprehensive training system, County Executive Directors in Training (CEDTs) and Farm Loan Office Trainee (FLOT) training:
 - CEDTs undergo rigorous training, which involves visiting multiple counties within the state. This firsthand exposure allows them to observe and learn how different counties deliver programs. By gaining practical experience and knowledge, CEDTs are prepared to lead effectively within their assigned counties.
 - FLOT training ensures that farm loan employees receive proper training to implement programs in accordance with policy guidelines. Overall, the aim of the onboarding process is to provide employees with practical experience, foster innovation, and enhance service delivery to agricultural producers.

Question 11. As each of you know, the successes of the farm bill conservation programs largely lie in the voluntary, locally-led, incentive-based nature of the programs. Do the current conservation programs provide enough flexibility to optimize program efficacy across different regions with different resource concerns?

Answer. Yes, for NRCS and FSA, the current authorities provide flexibility to address natural resource priorities established through the locally-led process.

NRCS relies on this process, which empowers local stakeholders to engage with their State Conservationist in setting the natural resource priorities within a state. This local flexibility, combined with program sideboards that follow statutory intent, allows for successful voluntary conservation program implementation.

At FSA, the locally-led process allows local stakeholders to contribute to the prioritization of natural resource concerns. This allows states to take the program guidelines provided and optimize financial incentives based on local conditions.

Question 12. Chief Cosby, we have seen an Administration-wide focus on climate change across all economic sectors, especially agriculture. How do you balance this top-down, Presidential climate prescription with the voluntary, locally-led, and incentive-based nature of farm bill conservation programs?

Answer. NRCS is implementing IRA authorities using the locally-led process through its existing voluntary, incentive-based farm bill conservation programs. We are not implementing IRA through a top-down approach. The IRA provides additional and necessary funding for the oversubscribed farm bill conservation programs giving us the opportunity to expand the programs' reach and ability to help the nation's farmers, ranchers and forest landowners implement conservation measures.

Question 13. One of the most successful programs in the conservation title that Congress has authorized in the past 20 years is the Regional Conservation Partnership Program (RCPP). It combined all these regional programs into one program that allows you to leverage funding with the private sector to address specific resource concerns. What has happened? The program seems mired with administrative burdens that make it difficult for people to access. Does the Administration have a plan to fix this program either through administrative or legislative changes that continues the principles of a partnership with NRCS? How specifically does RCPP get fixed?

Answer. NRCS is actively working on improving the delivery and administration of RCPP. We have taken customer feedback and are working to streamline evaluation criteria, reduce the time to complete RCPP easement transactions, improve the RCPP Portal, provide consistent guidance and training for employees and partners, and simplify the technical assistance structure.

Question 14. Along with healthy markets for forest products, voluntary conservation easements are a proven tool for incentivizing land conservation. While the farm bill's conservation title has financial and technical assistance programs where forestland is eligible, it does not extend conservation easement programs to forestland. Chief Cosby, do you think a forest conservation easement program is needed? How would such a program help us keep our forestlands intact and working?

Answer. Our forestland, like our cropland and rangeland, offers great opportunities for long-term conservation. The opportunity to bring more forestland into permanent easement protection would allow customers to protect those acres from conversion to non-silvicultural uses, offer longer-term financial stability (forest revenue), and realize climate benefits. Currently, NRCS administers the Healthy Forests Reserve Program (HFRP) and even though its current funding levels are modest, there is a recognized demand for forest conservation easements as demonstrated when HFRP was a covered program under the 2014 Farm Bill Regional Conservation Partnership Program.

Question 15. In November, the EPA published an update to their Endangered Species Act workplan that proposed numerous costly mitigation measures that farmers, ranchers, and producers would be required to implement when using crop protection tools—including conservation practices such as cover cropping, riparian field buffers, vegetative filter strips, and contour terracing. These regulatory mandates are in direct contrast to our farm bill principles that conservation should be voluntary, incentive-based, and locally-led. Chief Cosby, can you tell us how exactly is NRCS working with EPA to ensure conservation practices remain voluntary?

Answer. EPA is implementing Federal actions under the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) to register pesticides and provide product labels that prescribe legally enforceable limitations on pesticide applications. As described in EPA's update to the workplan, EPA has developed a menu of Interim Ecological Mitigation measures for conventional and biological pesticides used on agricultural crops. EPA designed these Interim Ecological Mitigation measures to reduce exposure to a variety of non-target species, including listed species, while EPA moves toward full Endangered Species Act compliance and final registration review decisions. NRCS does not register or label pesticides; NRCS offers voluntary and incentive-based programs under the farm bill (Food Security Act of 1985, as amended) that support conservation solutions for agricultural producers. These conservation solutions can include voluntary conservation practices as part of a Pest Management Conservation System (PMCS) that combines an Integrated Pest Management (IPM) decision making process with natural resource conservation to address pest and environmental impacts. NRCS is collaborating with EPA to offer our experience and scientific expertise regarding mitigation of impacts related to integrated pest management. NRCS is not requiring implementation of conservation practices—participation in NRCS programs under the farm bill remains voluntary. Any requirements included on product labels for mitigating the impacts of pesticide applications will come from EPA under FIFRA and in response to its ESA section 7 consultations with FWS and/or NMFS.

Question 16. The Endangered Species Act requires agencies to use “the best scientific and commercial data available” in their analysis on listed species; however, EPA frequently does not consider all the data available. Chief Cosby, do you believe NRCS has relevant conservation practice data that would benefit EPA when reviewing the impact of pesticides on endangered species and their habitat?

Answer. As discussed in the response above, NRCS is collaborating with EPA to offer our experience and scientific expertise regarding mitigation of impacts related to integrated pest management. We may have relevant information and expertise that can help inform EPA's regulatory actions. NRCS provided EPA with an overview and access to the Resource Conservation Act Data Viewer to develop custom queries to meet their needs. Another resource that NRCS has is the Conservation Effects Assessment Project (CEAP) information and reports, and we have shared that with EPA as well.

Question 17. The work of your great agencies has contributed to de-listing of many species under the Endangered Species Act, improving water quality across the U.S., and promoting soil health and conservation. Chief Cosby and Administrator Ducheneaux, in your opinions, why does voluntary conservation have a better track record than regulation, and why aren't farmers getting the credit they deserve as stewards of their lands?

Answer. Farmers and ranchers are some of our nation's most dedicated land stewards. They have a direct tie to the land they manage, and as a result, a direct tie to our natural resources. The conservation efforts they voluntarily pursue not only serve to build healthier soils, support water quality improvements, provide habitat for wildlife, and deliver climate solutions—they also build resiliency to agricultural operations and, ultimately, strengthen the bottom lines of their operations. Our farmers and ranchers understand this more than anyone.

Voluntary conservation is about much more than an operation's productivity and profitability. Many of our farmers and ranchers are working the same land their family has managed for generations. They are looking towards the future—to their own children, and grandchildren—and the ability of that land or that farming operation to remain sustainable over time. Over and over, this is what we hear when talking with farmers and ranchers directly. They care about their land, and they want to leave their operations stronger for those who come next. They understand that healthier soil for instance, or more diverse natural vegetation, is directly tied to their operation's ability to continue providing for their families—and their larger communities, for generations to come.

At USDA's Natural Resources Conservation Service, one of our driving motivations is working with farmers, ranchers, and other land managers to strengthen

their operations and conserve natural resources through voluntary efforts. This is about working together, identifying unique conservation goals, and pursuing them collaboratively. We have USDA Service Centers in nearly every county across the United States, with staff ready to provide one-on-one support. Our staff meet with producers at their operation, walk the land with them, and provide technical expertise on potential conservation improvements.

As Chief, I encourage farmers or ranchers who haven't worked with us yet to find their local Service Center and begin the conversation. And for those of us in other professions: If you have the opportunity, I encourage you to seek out a conversation with a farmer or rancher.

Question 18. As each of you know, the successes of the farm bill conservation programs largely lie in the voluntary, locally-led, incentive-based nature of the programs. Do the current conservation programs provide enough flexibility to optimize program efficacy across different regions with different resource concerns?

Answer. Yes, for NRCS and FSA, current authorities provide flexibility to address natural resource priorities established through the locally-led process.

NRCS relies on this process, which empowers local stakeholders to engage with their State Conservationist in setting the natural resource priorities within a state. This local flexibility, combined with program sideboards that follow statutory intent, allows for successful voluntary conservation program implementation. The Technical Service Provider authority, as well as agency acquisition and partnership authorities, enable the agency to obtain resources to provide technical assistance in high workload areas. We encourage those engaged in farm bill deliberations to consider maintaining maximum flexibility so resource issues can be addressed quickly as they arise.

At FSA, the locally-led process allows local stakeholders to contribute to prioritization of natural resource concerns. This allows states to take the program guidelines provided and optimize the financial incentives based on local conditions.

Question 19. The work of your great agencies has contributed to de-listing of many species under the Endangered Species Act, improving water quality across the U.S., and promoting soil health and conservation. Chief Cosby and Administrator Ducheneaux, in your opinions, why does voluntary conservation have a better track record than regulation, and why aren't farmers getting the credit they deserve as stewards of their lands?

Answer. Voluntary conservation efforts encourage cooperation, partnerships, and innovation over the threat of regulatory consequences, and can result in proactive solutions that address problems before effects and consequences occur. Within the ESA itself, there are well-known and successful mechanisms that encourage voluntary and proactive conservation efforts, such as Candidate Conservation Agreements and Safe Harbor Agreements. As many as 2/3 of listed species under ESA are present on private lands, so voluntary conservation that encourages private landowner participation is critical to species protection and recovery. This is particularly important for species like sage grouse or New England cottontail where the most important need is for improved habitat on lands that farmers, ranchers, and private forest land owners also manage for their livelihoods. NRCS programs provide the right sort of assistance to help landowners benefit species as well as their bottom line; we incentivize and deliver conservation solutions through voluntary partnerships with farmers and ranchers in our farm bill programs. Programs such as Working Lands for Wildlife (WLFW) provide win-win approaches that systematically target conservation efforts to improve agricultural and forest productivity which enhances wildlife habitat on working landscapes. NRCS recognizes the profound impact that farmers have had, and continue to have, on listed species protection and recovery. Successes include a decision by U.S. Fish and Wildlife Service that protections under ESA for the New England cottontail are not warranted due to cooperative efforts by farmers, birdwatchers, hunters, and other conservationists. Similarly, and more recently, U.S. Fish and Wildlife Service did not increase ESA protections for the gopher tortoise due to voluntary habitat restoration efforts, implementation of best management practices, and conservation measures to benefit the tortoise.

Conservation on agricultural lands improves water quality and protects drinking water sources across the country. Through the National Water Quality Initiative (NWQI), NRCS supports locally-led efforts to clean up waters listed as impaired under the Clean Water Act (CWA). Using this voluntary, locally-led approach, producers are supported in delivering the right conservation in the right places to make a difference for the clean water that we all depend on, as well as improving the sustainability of their operations. Over 20 streams in NWQI watersheds have been measurably improved and removed from listing under CWA. This is only one exam-

ple of the ways that farmers are cooperating with their neighbors to improve their communities.

Response from Zach Ducheneaux, Administrator, Farm Service Agency, U.S. Department of Agriculture

Question 1. Chief Cosby and Administrator Ducheneaux, which agency is taking the lead on administering and implementing the Climate-Smart Commodities Partnership Program?

Answer. This is a Departmental effort, and the opportunity is housed in NRCS.

Question 2. Chief Cosby and Administrator Ducheneaux, when staffing for local offices, what are the onboarding processes for your agencies and how are new staffers gaining the requisite local knowledge they need to succeed?

Answer. Onboarding for an employee includes the agency—NRCS and FSA—as well as coordination with the FPAC Business Center. The Business center includes engagement on necessary equipment, network access, and overview of completion of required employment forms. It is also a central location for respective benefits, time-sheets, learning, and key new employee engagement.

From there, each agency works on their respective onboarding and training process.

The timeline for training is dependent on employee experience and the position of the new employee. State, local, and county practices influence the employee onboarding processes. While both agencies have core outlines of agency expectations and deliverables, training is handled by the direct supervisor and often colleagues within the local district or office. The supervisor provides the new employee with expectations, guidelines, and policies for the office and agency; reviews and clarifies any questions the staff person may have as a result of the onboarding meeting. Both agencies ensure that employee safety and addressing emergency situations is incorporated early on in new employee engagement. These protocols ensure the safety and well-being of both our employees and customers.

At NRCS, over the first few months, the supervisor assesses the employee skills and abilities that form the basis of the employee's training plan. One of the primary and critical pieces of employee onboarding is acclimating the new employee to the local work unit including introductions to many of the local partner organizations and agricultural groups as well as the local Conservation District staff and supervisors. This is set up with partnering with local colleagues and local partners to be engaged and learn the local needs of the community they will serve in addition to implementation of programs. NRCS will ensure that the training includes prioritized time spent in the field to familiarize the new employee to the local work unit including its resource issues and concerns to ensure an understanding of local agricultural practices and knowledge.

Similarly, FSA's onboarding process includes not just the programs and protocols but an awareness of the local procedures and agricultural needs of the county the office serves. Several common training approaches are utilized when onboarding new staff in FSA offices to ensure staff are gaining the knowledge and skills required to service our nations producers. These include:

- **Mentoring:** New employees often receive guidance and support from experienced colleagues who act as mentors. With their wealth of experience, mentors provide assistance, answer questions, and offer valuable insights to new employees to foster growth and propel them towards success.
- **One-on-One Supervisory Instruction:** Supervisors provide personalized instruction to new employees, helping them understand their roles, responsibilities, and the agency's expectations.
- **On-the-Job Training:** Hands-on experience is an essential aspect of the onboarding process. New employees engage in practical tasks and learn by actively participating in their assigned responsibilities.
- **Utilization of Technology:** Available technology resources, such as the Teams environment, are utilized to provide interactive and hands-on training opportunities for remote or dispersed employees.
- **Agency Provided Curriculum:** Farm Service Agency often provides specialized training curriculum (often through program handbooks) tailored to the specific needs and requirements of different positions. This curriculum covers important topics related to agricultural programs, policies, and procedures.
- **Two positions at FSA have a comprehensive training system, County Executive Directors in Training (CEDTs) and Farm Loan Office Trainee (FLOT) training:**
 - CEDTs undergo rigorous training, which involves visiting multiple counties within the state. This firsthand exposure allows them to observe and learn

how different counties deliver programs. By gaining practical experience and knowledge, CEDTs are prepared to lead effectively within their assigned counties.

- FLOT training ensures that farm loan employees receive proper training to implement programs in accordance with policy guidelines. Overall, the aim of the onboarding process is to provide employees with practical experience, foster innovation, and enhance service delivery to agricultural producers.

Question 3. As each of you know, the successes of the farm bill conservation programs largely lie in the voluntary, locally-led, incentive-based nature of the programs. Do the current conservation programs provide enough flexibility to optimize program efficacy across different regions with different resource concerns?

Answer. Yes, for NRCS and FSA, the current authorities provide flexibility to address natural resource priorities established through the locally-led process.

NRCS relies on this process, which empowers local stakeholders to engage with their State Conservationist in setting the natural resource priorities within a state. This local flexibility, combined with program sideboards that follow statutory intent, allows for successful voluntary conservation program implementation. The Technical Service Provider authority, as well as agency acquisition and partnership authorities, enable the agency to obtain resources to provide technical assistance in high workload areas. We encourage those engaged in farm bill deliberations to consider maintaining maximum flexibility so resource issues can be addressed quickly as they arise.

At FSA, the locally-led process allows local stakeholders to contribute to the prioritization of natural resource concerns. This allows states to take the program guidelines provided and optimize financial incentives based on local conditions.

Question 4. According to the Congressional Budget Office's most recent baseline, both the budget authority and outlays for the Conservation Reserve Program (CRP) are projected to increase from \$2 billion in Fiscal Year 2023 to \$2.675 billion by 2033. If this holds true, CRP will become the most expensive Title II program with mandatory funding. Administrator Ducheneaux, can you explain why the annual cost of CRP is expected to increase so much over the next decade?

Answer. Increased costs may be associated with assumptions for maintaining CRP acreage at or near the 27 million acre statutory cap. During the latter part of the baseline period, more acres will be expiring from CRP requiring signups to reenroll expiring acres or enroll new acres to maintain acreage at the statutory cap. It is anticipated that inflationary costs will be associated with enrolling acreage in the latter part of the baseline period. FSA's most recent budget estimates for CRP reflect an increase from \$2 billion in FY 2023 to \$2.29 billion in FY 2033 based on the most recent acceptance of 1.07 million acres for General CRP and 2.6 million acres for Grassland CRP. Accepting land under General and Continuous signups are generally more costly due to the requirements for practice installation on environmentally sensitive land.

Question 5. Administrator Ducheneaux, CRP is not hitting the acreage cap and is unlikely to by the end of this farm bill. How can we modernize the program to ensure its popularity?

Answer. FSA continues its efforts to get as reasonably close to the FY 2023 statutory cap of 27 million acres and does not wish to disrupt future opportunities for enrollment in General, Grasslands, and Continuous CRP, including CREP. The reality is that CRP needs to be managed with a reserve to avoid potential Anti-deficiency Act violations or taking unpopular measures such as suspending enrollment of Continuous/CREPs or running a General or Grasslands CRP sign-up with few, if any, offers of acceptance made.

At the beginning of FY 2023, FSA faced a gap of almost 4 million acres with an additional 1.97 million acres expiring at the end of FY 2023 (there are about 23 million acres currently enrolled with a cap of 27 million acres for FY 2023). FSA anticipates narrowing that gap by accepting approximately 1 million acres under General CRP this year and anticipates FY 2023 Continuous enrollment at about 1,000,000 acres but could increase due to some new CREP agreements. With the acceptance of Grassland CRP for FY 2023 still pending, FSA is currently about 2.8 million acres below the 27 million acre cap.

To increase producer interest and enrollment, FSA adjusted soil rental rates where data supported such an adjustment, increased payments for practice incentives, and increased payments for water quality practices.

In FY 2022, FSA updated the Grassland CRP signup to establish a minimum rental rate of \$13 per acre that increased rental rates in 1,047 counties across the country. FSA also established Grassland CRP National Priority Zones that aim to increase enrollment of grasslands in migratory corridors and environmentally sen-

sitive areas. Last year, FSA expanded the Greater Yellowstone Wildlife Migration Corridor Priority Zone to include seven additional counties across Montana, Wyoming, and Idaho. These improvements to Grassland CRP have yielded rapid results as last year's Grassland CRP signup was the largest Grassland signup ever.

For this year's Grassland signup, FSA provided limited resource producers 20 additional points to enhance their offers. These ranking point incentives will continue helping small-scale operators and landowners find an entry way into the program. Also, we are making clear that certain land enrolled in NRCS' EQIP is eligible for enrollment in Grasslands CRP, providing producers access to a broader suite of conservation practices tailored toward managing the rangeland enrolled in Grasslands CRP.

USDA has made significant improvements to CREP to reduce barriers and make the program more accessible to a broad range of producers and new partners. In direct response to feedback from state agencies, Tribes, nonprofits, and other groups, USDA updated CREP's rule regarding matching fund requirements and invested in additional staff to work directly with partners for streamlined, partner-driven conservation efforts. With the December 13, 2021 rule change, partners can now provide their negotiated level of matching funds in the form of cash, in-kind contributions, or technical assistance. This change allows for greater flexibility and opportunity for additional partners to participate in the program. The rule also updated policy to allow for a full annual rental payment to producers who are impacted by state, Tribal or local laws, ordinances, and regulations that require a resource conserving or environmental protection measure. The previous rule reduced the rental payment made to producers who were affected by such laws.

Question 6. Administrator Ducheneaux, I'm sure you have heard a lot about prime farmland and the concern there is too much prime farmland in the CRP. How many prime farmland acres are in the program, and what can we do to have that good farmland stay out of the program and into the hands of, for example, beginning farmers?

Answer. As of a February 2022 analysis, 25.6 percent of Continuous CRP acres were considered "prime farmland." It is important to highlight the fact that Continuous CRP practices address specific environmental concerns along rivers, streams, and waterbodies where land is generally more productive, but more susceptible to environmental threats. Similarly, 21.5 percent of General CRP acres are classified as prime farmland. To carve prime farmland from an offer for General CRP will result in unmanageable boundaries for producers to farm around and may result in less interest in enrollment in CRP. In total, 23.3 percent of all CRP acreage is classified as prime farmland. Keeping prime farmland from enrollment in CRP will not guarantee that the land will end up in the hands of a beginning farmer, rather will end up in the hands of a producer willing to pay the price for renting prime farmland that usually comes with a hefty price tag.

Question 7. Currently, we pay a percentage of the county rental for land going into CRP. Administrator Ducheneaux, would you be in favor of the general idea of paying more for marginal land and less for the prime farmland, so the program doesn't compete for productive farmland?

Answer. Generally, paying more for marginal land seems reasonable. Adding incentives to marginal land instead of changing the methodology by which CRP rental rates are currently established overall may be the most desirable path to ensuring the program complements local markets rather than constraining them. Situations exist where the enrollment of some prime farmland is needed to either solve a specific environmental concern or where only a small portion of a tract is prime farmland, and it would be infeasible to farm the area that is prime. For example, a farmer may be row cropping acreage that is adjacent to a stream and the installation of a filter strip would be beneficial to address water quality and that land may be considered prime farmland. Requiring the agency to expressly limit or pay a separate rate for the inclusion of prime farmland would likely come at a significant time and resource cost for FSA, and indirectly, NRCS, because of the need to make a number of determinations on site before a contract could be entered into, as well as potentially deter landowner interest in the program. Time and resources could conceivably need to be spent on activities including, but not limited to; maintaining authoritative databases, confirming field conditions, and providing a process for producers to appeal agency determinations.

Question 8. The work of your great agencies has contributed to de-listing of many species under the Endangered Species Act, improving water quality across the U.S., and promoting soil health and conservation. Chief Cosby and Administrator Ducheneaux, in your opinions, why does voluntary conservation have a better track

record than regulation, and why aren't farmers getting the credit they deserve as stewards of their lands?

Answer. Agricultural producers have long invested in conservation because they understand the value of these practices to the long-term health and sustainability of their operations. It is critical that we continue to offer a diverse suite of voluntary, incentive-based, working lands conservation programs so farmers and ranchers have the tools and options they need to make the decisions that are right for their operations, families, and natural resources.

