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SPECIAL AREAS SOIL CONSERVATION ACT OF 1980

GOVERNMENT
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JAN 26 1981 HEARING

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KANSAS STATE UNIVERSITY SUBCOMMITTEE ON

CONSERVATION AND CREDIT
OF THE
COMMITTEE ON AGRICULTURE
HOUSE OF REPRESENTATIVES
NINETY-SIXTH CONGRESS

SECOND SESSION

ON

H.R. 6732

SEPTEMBER 27, 1980, CRESCENT, IOWA

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SPECIAL AREAS SOIL CONSERVATION ACT OF 1980

SATURDAY, SEPTEMBER 27, 1980

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON CONSERVATION AND CREDIT
OF THE COMMITTEE ON AGRICULTURE,
Crescent, Iowa.

The subcommittee met, pursuant to notice, in Community Hall, Highway 183, Crescent, Iowa, Hon. Ed Jones (chairman of the subcommittee) presiding.

Present: Representative Harkin.

Also present: Frank Winston, Bill Ryerson, and James Johnson.

OPENING REMARKS OF HON. ED JONES, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TENNESSEE

Mr. JONES of Tennessee. The hearing will come to order.

My name is Ed Jones. I am the chairman of the Subcommittee on Conservation and Credit. I want to welcome each of you here this morning and say that it is a real pleasure to be in your State of Iowa. I especially want to thank Tom Harkin for having done a fine job in arranging this field hearing, and I very much appreciate the kind hospitality he and the people of this area have shown me. This is the sixth year that Tom has been a member of the Conservation and Credit Subcommittee, and during that time he has been one of its most active members.

In 1977 he sponsored legislation to update the ACP program to place more emphasis on enduring soil conservation practices. After subcommittee hearings, his bill was accepted as an amendment to the 1977 farm bill and is now law.

At the same time, Tom won acceptance of another amendment which improved the ASCS disaster payment program for corn. Because of Tom's work, these payments are now based on actual planted acreage rather than the old outdated allotment system.

Tom has been aggressive in the area of farm credit as well. In 1978 when we updated the Farmers Home Administration lending programs for farmers, Tom fought for creation of a low-interest, limited-resource loan program for young farmers. Despite initial opposition from the USDA, he was able to convince his colleagues of the merits of his idea, and today hundreds of young farmers have received low-interest loans to finance land and operating expenses.

This spring when interest rates reached record levels and Iowa banks were out of money, Tom sponsored and won approval of legislation to provide \$2 billion in economic emergency loans through the Farmers Home Administration.

And most recently, I have had the pleasure of working with Tom in the development of the Farm Credit Act Amendments of 1980. This bill will modernize the cooperative farm credit system and will make it much easier for the Federal Land Banks and Production Credit Associations to participate with the Farmers Home Administration in making farm loans. Also, cooperatives will find it much easier to expand their export activities with this bill, which should be passed before the end of the year.

I represent a district in west Tennessee which in many ways is similar to southwest Iowa. The counties in my district are among the most fertile of any in the mid-South. But, like southwest Iowa, west Tennessee is among the Nation's worst in erosion rates.

Your own Iowa State University estimated in 1972 that the United States is losing 4 billion tons of topsoil per year due to erosion. In the Dust Bowl year of 1934, the loss was only 3 billion tons. In my own district, annual losses of topsoil average as much as 40 tons per acre—that is eight times the acceptable rate.

I know what that does to productivity. I know what it does in the long term to a farmer's ability to maintain his production levels. And I know that Congress itself has let conservation issues slip away for several years. We have not come to grips with what is needed to produce effective programs, taking into consideration the changes that have taken place in the way people farm the land over the past 10 years.

This is why I am so pleased to visit places like Iowa in order to hear directly from the people—the farmers who must depend on the soil for a living. I look forward to working together in the next Congress with people like Tom Harkin who are dedicated to saving our Nation's most basic resource. I know we have a real opportunity to reverse the alarming trend of the past few years.

This subcommittee has a good record of going out into the field to gather advice and guidance on the important issues in agriculture, especially soil conservation. We have visited all across the country during the 96th Congress in order to prepare ourselves for writing a new farm bill in 1981.

So I am prepared today to sit back and listen, and be guided by you on what course our future should take. I want to know your thoughts on Federal conservation programs which are already in place. What changes or problems do you see in programs such as ACP, RCWP, and the USDA agencies that administer these programs? I want your ideas on new programs you would like to see enacted. What appeals to landowners in the way of incentives to practice good conservation measures? And especially, I would like your comments on the Special Areas Soil Conservation Act which Tom and I are sponsoring.

As you know, the Loess Hills are specifically designated in the bill as one area which suffers critical erosion problems. This legislation would provide cost-sharing and technical assistance to landowners and operators. It would provide for long-term contracts between USDA and owner/operators to assure that our progress is not short-lived.

Finally, let me again express my appreciation for this opportunity. I encourage each of you to keep in contact with Tom and me

throughout the next Congress, and let us know how we can best serve your interests.

I could say a lot more, but with that I will yield to Tom for a statement and then we will start the hearing.

**OPENING REMARKS OF HON. TOM HARKIN, A
REPRESENTATIVE IN CONGRESS FROM THE STATE OF IOWA**

Mr. HARKIN. Thank you very much, Mr. Chairman, for your very kind words.

I have enjoyed working with Congressman Jones over the last 5½ years as chairman of the Subcommittee on Conservation and Credit. Ed has become known as Mr. Conservation in the House of Representatives. This hearing today marks the beginning of a long process in developing the kind of legislation that we will need next year on the new farm bill to address the problem of conservation, and that is what we are here about today.

So, Mr. Chairman, we welcome you to one of the special areas of the United States, special in many ways, but one of the special areas mentioned in a bill both of us introduced.

For many years we have had a Great Plains soil erosion program, but I began to see that the Great Plains area program was not addressing some of the other problem areas of the United States. So last year Congressman Jones, as chairman of the Conservation and Credit Subcommittee, asked the Secretary of Agriculture to take a look at the entire United States and give him a list of the most seriously affected areas as to erosion. The Department of Agriculture did a study and reported back early this year and identified those most seriously affected areas in the United States. The first area they indicated was the Aroostook County, Maine—east bank of the mid-Mississippi River, east central Georgia, Green Hills area of Missouri, Loess Hills of southwestern Iowa, Washington-Idaho Palouse area, and Wiregrass area of southeastern Alabama.

So H.R. 6732, called the Special Areas Soil Conservation Act of 1980, addresses those most highly erodable areas of the United States. You are in the area of the Loess Hills area. Hopefully after this hearing today, if we have some time we will get out to a watershed that is near and we will show you some of the things people have been doing here in the North Pigeon area to handle the problems of erosion.

So, Mr. Chairman, we welcome you to southwest Iowa. I can guarantee you we have an excellent witness list who know what they are talking about, people who have been involved in conservation for a long, long period of time. I know what they have to say will be an important addition to our hearing record as we develop the legislation for next year. Thank you very much for taking your valuable time to come here for these hearings.

Mr. JONES of Tennessee. Thank you very much, Tom. I am delighted to be here.

Let me lay down the ground rules. This is an official meeting of the subcommittee, and we will have it in such a way that all members of the subcommittee will have a chance to ask questions. Jim Johnson, on my extreme left, is a member of the committee staff for the Democratic side of the House, and Frank Winston, the

redhead there, is on the Republican side of the House, so we have two fine members of our staff here who will help us with any problems that we have. Then, I would like to say to you, as the witnesses come forward, if you have an extra copy of your statement, give it to one of them and they will give it to the court reporter so it will become a part of the record. If you do not have a copy, she will still get what you say, but if you do that, it will expedite what is taking place.

We would like to urge you to give us as brief a statement as you possibly can, but by no means reduce the meat of what you have to say. I want to do all the things that Tom has outlined, and all of it will not be in this hearing. I would like to see some of the country here. If you can, limit your statement to at least 10 minutes, if at all possible. I want you to feel at home. We are all the same kind of people. The only thing we are going to do is listen to you. I want you to feel as much at ease as you can.

[H.R. 6732 and the report from Tennessee Valley Authority follow:]

96TH CONGRESS
2D SESSION

H. R. 6732

To make available a national soil conservation program.

IN THE HOUSE OF REPRESENTATIVES

MARCH 6, 1980

Mr. JONES of Tennessee (for himself, Mr. FOLEY, Mr. MADIGAN, and Mr. HARKIN) introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To make available a national soil conservation program.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Special Areas Soil Con-
4 servation Act of 1980".

5 SEC. 2. The Congress finds that—

6 (a) studies by the United States Department of
7 Agriculture indicate that four billion tons of soil are
8 lost annually from non-Federal lands in the United
9 States, with approximately two billion tons lost from
10 cropland. Nearly one-half of the four hundred and thir-

1 teen million acres of cropland in 1977 were comprised
2 of soils with moderate, high, or very high risk of
3 damage by sheet and rill erosion;

4 (b) geographic areas tend to vary widely in the
5 severity of soil, water, and related resource problems.
6 Soils, land slopes, climate, agricultural practices, and
7 other related factors combine to make certain areas of
8 the Nation highly productive yet subject to severe and
9 longstanding soil erosion and water management
10 problems;

11 (c) solutions to chronic soil and water resource
12 problems must be tailored to address the local social,
13 economic, and natural resource conditions that exist
14 within the area of concern, and that goals and policies
15 at the Federal level must be integrated with the con-
16 cerns of the local community;

17 (d) some special areas of the country which have
18 such critical problems are—

19 (1) Aroostook County, Maine;

20 (2) East bank of the mid-Mississippi River,
21 including Crockett, Dyer, Gibson, Lake, Obion,
22 Weakley, Carroll, Benton, Chester, Haywood,
23 Henderson, Henry, Lauderdale, Madison,
24 McNairy, Shelby, Fayette, Hardeman, and Tipton
25 Counties in Tennessee; Marshall, Calloway,

1 McCracken, Graves, Ballard, Carlisle, Hickman,
2 and Fulton Counties in Kentucky; DeSoto, Mar-
3 shall, Benton, and Tate Counties in Mississippi;

4 (3) East central Georgia, including Bleckley,
5 Bulloch, Burke, Candler, Dodge, Emanuel,
6 Evans, Jefferson, Jenkins, Johnson, Laurens,
7 Montgomery, Richmond, Screven, Tattnall, Tel-
8 fair, Toombs, Treutlen, Twiggs, Washington,
9 Wheeler, and Wilkinson Counties;

10 (4) Green Hills area of Missouri, including
11 Caldwell, Davies, Grundy, Harrison, Linn, Liv-
12 ingston, Mercer, Putnam, and Sullivan Counties;

13 (5) Loess Hills of southwestern Iowa, includ-
14 ing Woodbury, Ida, Monona, Crawford, Carroll,
15 Harrison, Shelby, Audubon, Pottawattamie, Cass,
16 Mills, Montgomery, Fremont, Taylor, Adams, and
17 Page Counties;

18 (6) Washington—Idaho Palouse area, includ-
19 ing Lincoln, Spokane, Whitman, Garfield, Asotin,
20 Columbia and Walla Walla Counties in the State
21 of Washington; Benewah, Latah, and Nez Perce
22 Counties in Idaho;

23 (7) Wiregrass area of southeastern Alabama,
24 including the counties of Coffee, Covington, Cren-

1 shaw, Barbour, Dale, Geneva, Henry, Houston,
2 and Pike.

3 SEC. 3. (a) The Secretary of Agriculture is authorized
4 and directed to formulate and implement a program for the
5 conservation of soil, water, and related resources in special
6 areas designated pursuant to this Act by providing technical
7 and financial assistance to owners and operators of non-Fed-
8 eral agricultural land. Assistance on State, county, and other
9 non-Federal public land will be limited to those lands that are
10 an integral part of a private farm operating unit and under
11 the control of the private landowners or operators.

12 (b) To carry out the program authorized by this section,
13 the Secretary is authorized, notwithstanding any other provi-
14 sion of law, to enter into contracts with owners and operators
15 of non-Federal agricultural land in a designated special area
16 having such control over the land as the Secretary deems
17 necessary: *Provided, however,* That such contracts may be
18 entered into with respect to lands, other than agricultural
19 lands, where soil, water, or related resources conservation
20 problems are so serious as to make such contracts necessary
21 for the protection of the agricultural lands. Such contracts
22 shall be designed to provide assistance to the owners or oper-
23 ators to make changes in their cropping systems or land uses
24 which are needed to conserve, protect, or properly utilize the
25 soil, water, and related resources of their agricultural and

1 other lands; and to install the soil and water conservation
2 treatment needed under such systems and uses.

3 (c) Conservation plans of landowners and operators shall
4 form the basis for contracts. The landowners or operators
5 shall furnish to the Secretary a plan of conservation oper-
6 ations and land use developed in cooperation with and ap-
7 proved by the soil and water conservation district in which
8 the lands are situated. The plan shall incorporate such soil,
9 water, and related resources conservation treatment as may
10 be determined by the owner or operator to be practicable to
11 protect such land from erosion and deterioration and which
12 outlines a schedule of proposed changes in cropping systems
13 or land use and of conservation treatment which is to be
14 carried out on agricultural or other lands during the contract
15 period. Such plan should be designed to fit the local social,
16 economic conditions and the soil, water, and related re-
17 sources problems of the designated area and may allow for
18 varying levels of conservation application as is appropriate to
19 address the problems. The plan may be developed to cover
20 all or part of a farm, ranch, or other lands as determined to
21 be necessary to solve the conservation problems. Such plan
22 may also include conservation treatment for enhancing fish
23 and wildlife and recreating resources and for reducing or con-
24 trolling agricultural related pollution.

25 (d) The landowners or operators shall agree—

6

1 (1) to effectuate the plan for their agricultural or
2 other lands substantially in accordance with the sched-
3 ule outlines therein unless any requirement thereof is
4 waived or modified by the Secretary pursuant to para-
5 graph (f) of this subsection;

6 (2) to forfeit all rights to further payments or
7 grants under contract and refund to the United States
8 all payments or grants received thereunder including
9 interest upon their violation of the contract at any
10 stage during the time they have control of the land if
11 the Secretary, after considering the recommendations
12 of the soil and water conservation district board, deter-
13 mines that such violation is of such a nature as to war-
14 rant termination of the contract, or to make refunds,
15 including interest, or accept such payment adjustments
16 as the Secretary may deem appropriate upon determi-
17 nation that the violation by the owner or operator does
18 not warrant termination of the contract;

19 (3) upon transfer of their right and interest in the
20 agricultural or other lands during the contract period
21 to forfeit all rights to further payments or grants under
22 the contract period and refund to the United States all
23 payments or grants received thereunder including in-
24 terest unless the transferee of any such land agrees

1 with the Secretary to assume all obligations of the con-
2 tract;

3 (4) not to adopt any practices specified by the
4 Secretary in the contract as a practice which would
5 tend to defeat the purposes of the contract;

6 (5) to such additional provisions as the Secretary
7 determines are desirable and includes in the contract to
8 effectuate the purposes of the program or to facilitate
9 the practical administration of the program;

10 (6) to such modifications as are determined by the
11 Secretary to be necessary to accommodate adjustments
12 in crop production.

13 (e) In return for such agreement by the landowners or
14 operators, the Secretary shall agree to share the cost of car-
15 rying out conservation treatment set forth in the contract for
16 which the Secretary determines that cost sharing is appropri-
17 ate and in the public interest. The portion of the costs to be
18 shared shall be that part which the Secretary determines is
19 necessary and appropriate to effectuate the installation and, if
20 applicable, the maintenance of the conservation treatment
21 under the contract, including the cost of labor. The Secretary
22 shall determine the amount of the shared costs to be borne by
23 the Federal Government, taking into consideration the social
24 and economic conditions unique to each designated geograph-
25 ic area and the degree of conservation to be achieved. The

1 Secretary shall determine the maximum amount of cost-share
2 assistance that may be provided to any single recipient.
3 Where adjustments in land use from crops to permanent
4 vegetative cover or changes in crop varieties are undertaken
5 as conservation treatment, financial assistance may be pro-
6 vided with regard to the income lost as a result of such land
7 use or crop adjustments.

8 (f) The Secretary may terminate any contract with land-
9 owners or operators by mutual agreement with the owners or
10 operators if the Secretary determines that such termination
11 would be in the public interest and may agree to such modifi-
12 cation of contracts previously entered into as the Secretary
13 may determine to be desirable to carry out the purposes of
14 the program or facilitate the practical administration thereof
15 or to accomplish equitable treatment with respect to other
16 similar conservation, land use, or commodity programs ad-
17 ministered by the Secretary.

18 (g) In addition, the Secretary is authorized to enter into
19 contracts with landowners or operators for the purpose of
20 maintaining conservation treatment which was established
21 under the program authorized by this Act or conservation
22 treatment otherwise adequately established, and to provide
23 such assistance as is necessary to retain the treatment on the
24 land. The provisions and administration of such contracts will

1 be in accordance with the requirements set forth in subsec-
2 tions (b) through (f).

3 SEC. 4. The program authorized by this Act is to be
4 directed toward identifying and correcting specific soil,
5 water, and related resource problems which are prevalent
6 within each special area designed pursuant to this Act. The
7 Secretary is authorized to provide assistance to those special
8 areas described in section 2 and to such additional special
9 areas as he designates as having chronic soil, water, and re-
10 lated resources conservation problems. For each designated
11 special area, the Secretary will develop and implement a plan
12 setting forth an assessment of the problems, objectives, prior-
13 ities, and a schedule of implementation of conservation treat-
14 ment to address the problems of the designated special area.
15 In development of the plan, the Secretary shall take into con-
16 sideration programs of Federal, State, and local agencies, in-
17 cluding soil conservation districts having for their purposes
18 the objectives of soil and water conservation, pollution abate-
19 ment, and the improvement and protection of forest land.

20 SEC. 5. Special areas may be designated pursuant to
21 section 4 during the period of ten years following the passage
22 of this Act. Contracts authorized by subsections (b) and (g) of
23 section 3 may be entered into during a period of ten years
24 following the designation of the special area to which they
25 relate. Such contracts may not exceed ten years in duration,

1 and shall not exceed the amounts of appropriations as may be
2 provided therefore.

3 SEC. 6. The Secretary shall submit two copies of the
4 special area plans developed pursuant to section 4 of this Act
5 to the Committee on Agriculture, Nutrition, and Forestry of
6 the Senate and to the Committee on Agriculture of the
7 House of Representatives. The Secretary shall enter into
8 contracts with owners and operators of non-Federal agricul-
9 tural land pursuant to section 3 only after the Committee on
10 Agriculture, Nutrition, and Forestry of the Senate and the
11 Committee on Agriculture of the House of Representatives
12 shall pass resolutions approving the designated special areas
13 described in the plans.

14 SEC. 7. In carrying out the provisions of this Act, the
15 Secretary may utilize the services of local, county, and State
16 committees established under section 8 of the Soil Conserva-
17 tion and Domestic Allotment Act (49 Stat. 1149, as amend-
18 ed; 16 U.S.C: 590h) and the technical services of the Depart-
19 ment, soil and water conservation districts, and other State
20 or local agencies. The Secretary is authorized to utilize the
21 services and facilities of the Commodity Credit Corporation
22 in discharging departmental functions and responsibilities
23 under this Act.

24 SEC. 8. The Secretary is authorized to expend funds
25 directly or through grants for such research as is needed to

1 assist in developing new technology for controlling soil,
2 water, and related resource problems in the designated areas.
3 Such research is to be coordinated with and related to specif-
4 ic conservation needs of the designated area to accomplish
5 the objectives of the program authorized in section 3.

6 SEC. 9. The Secretary may provide grants to States
7 with designated areas to conduct evaluation and analysis of
8 the local and State tax structures, rules, and regulations and
9 their impact on the acceptance, installation, and maintenance
10 of conservation treatment or other pertinent items that may
11 be needed for an effective program.

12 SEC. 10. There are hereby authorized to be appropri-
13 ated, to be available until expended, such annual sums as
14 may be necessary to carry out the program authorized by this
15 Act.

16 SEC. 11. The Secretary shall prescribe such regulations
17 as determined necessary to carry out the provision of this
18 Act.

19 SEC. 12. The Secretary shall submit an evaluation
20 report to the Congress annually for the first five years of
21 operation concerning activities and results pursuant to this
22 Act. Recommendations for additional legislative action neces-
23 sary to apply related research findings or more effectively
24 solve identified soil, water, and related resources problems of

1 the authorized areas are to be included along with progress,
2 effectiveness, impacts, findings, and other pertinent matters.

3 SEC. 13. The Secretary shall provide for protection of
4 program participants from indirect or direct disqualifications,
5 discrimination, forfeiture or reduction of eligibility, or penalty
6 under other agricultural programs for participating in the
7 program authorized by this Act.

TENNESSEE VALLEY AUTHORITY

KNOXVILLE, TENNESSEE 37902

OFFICE OF THE BOARD OF DIRECTORS

RECEIVED
 AUG 20 PM 3:22
 U.S. HOUSE OF REPRESENTATIVES

AUG 18 1980

The Honorable Thomas S. Foley
 Chairman
 Committee on Agriculture
 The House of Representatives
 Washington, DC 20515

Dear Mr. Chairman:

This is to express TVA's strong support for H.R. 6732, a bill introduced by Representative Jones which would authorize a Department of Agriculture program to provide farmers with incentives for using good soil conservation practices.

Erosion of agricultural and forest land is estimated to contribute three out of four billion tons of soil that washes into U.S. waterways each year. In some areas of the Tennessee Valley region, such as west Tennessee, west Kentucky, and much of north Mississippi, serious erosion problems exist on about one-fourth of the land. An estimated 3 million of the 27.3 million acres of farmland in TVA's 201 power service counties has severe erosion problems.

Recent studies for Kentucky, Tennessee, and Mississippi reveal that during the past 15 years more than 6.5 million acres has been shifted from permanent type vegetative cover to row crops. Demand for soybeans has increased while markets for other farm products have weakened. Consequently, farmers are growing more soybeans on soils normally considered unsuitable for soybean production because of erodibility. The result is an alarming increase in soil losses, stream sedimentation, and nutrient loading of surface waters.

TVA has had a strong commitment to soil erosion control since its inception in 1933. TVA, with the local agricultural universities, pioneered erosion control techniques for the Tennessee Valley farmer in the 1930's. This commitment was reaffirmed in March 1979 when TVA and USDA signed an agreement to direct the forces of both agencies to reverse the soil erosion trends in west Tennessee. Under this agreement, TVA, the University of Tennessee, the Soil Conservation Service, and numerous groups have come together in the West Tennessee Erosion Project to combat soil erosion. In addition, TVA is currently exploring the possibility of developing a similar cooperative interagency erosion control program in 30 north Mississippi counties, an area with soils similar to west Tennessee which is experiencing serious soil erosion.

The need for active participation of the Government with the farmers to control soil erosion is great. This is why TVA supports Representative Jones's bill. We do suggest, however, that the involvement of other Federal agencies, such as TVA, in this type of program be encouraged.

Sincerely,



S. David Freeman
 Chairman

Mr. JONES of Tennessee. Tom, since this is home and you are familiar with every witness, why do you not call them as they appear on the schedule.

Mr. HARKIN. Thank you very much.

Our first witness is Clifford Stille, vice chairman, Iowa State Soil Conservation Committee. Cliff has been active in conservation work for many years.

STATEMENT OF CLIFFORD STILLE, MACEDONIA, IOWA, VICE CHAIRMAN, IOWA STATE SOIL CONSERVATION COMMITTEE

Mr. STILLE. I appreciate the opportunity. I can see one advantage of breaking the ice, at least someone will not be stealing all my thunder.

My name is Clifford Stille. I am a farmer from Macedonia, Iowa; a soil conservation district commissioner from East Pottawattamie County Soil Conservation District; the conservancy district board representative from the Southern Iowa Conservancy District; and vice chairman of the State Soil Conservation committee.

I would like to speak on the subject of soil conservation as seen from the State Soil Conservation Committee perspective. The State committee is the policymaking board of the Iowa Department of Soil Conservation.

We have a serious problem with soil erosion. It depletes the soil for future generations, and its resulting sediment is our Nation's No. 1 water pollutant by volume.

Soil conservation work is an investment in our future and an effective anti-inflation tool. Every ton of soil lost depletes the production potential of the soil. It adds to the fertilizer bill. More energy and horsepower are needed to till less productive soil with higher clay content and less topsoil. It costs more to purify water and remove sediment from drainage channels, flood prevention structures, and water supply reservoirs than it costs to use time-proven soil conservation measures to keep soil where it should stay to sustain productivity. As productivity of the land is depleted, every bushel of wheat, corn, and soybeans, and every pound of red meat will cost more to produce, eventually adding to the consumer's inflation worries.

Recently completed soil resource inventories created a feeling of anxiety regarding the future. In Iowa alone, even with the degree of State and county support, we are accomplishing only 20 percent of the needed soil conservation work which should be done annually if we are to maintain adequate crop production. In 100 years of farming in Iowa, we have lost one-half of our valuable topsoil resource. If this continues, the ability to efficiently produce food will be lost. Eroded soils lack the organic matter, pH, and moisture properties to allow chemicals to breakdown and work. They do not retain moisture levels needed to achieve high yields. More energy and horsepower inputs are necessary to till soils with higher clay content. Petroleum-based fertilizer needs are increased to replace lost natural fertility. Resulting sedimentation and other nonpoint source pollutants washed from the land depreciate water quality. It costs more to purify water. In addition, we must remove sediment from drainage channels, flood prevention structures, and water supply reservoirs to regain capacity we once had. This costs more

tax dollars to correct the problem than proper land treatment would have, and we have ruined the soil in the process.

Let us put this in context we understand. We lose annually 261 million tons of soil in Iowa. That is an average of 9.9 tons per acre per year. To visualize this, it is one-twelfth of an inch, which is not enough to create a concern. Yet, that 9.9 tons would nearly fill two dump trucks from each acre annually. I read a newspaper ad for soil at \$60 per truckload, and at two truckloads per acre, the loss is worth \$120 per acre. K-Mart sells a 50-pound bag of topsoil for \$1.49; that is \$60 per ton or \$600 per acre per year lost.

Soil scientists estimate the nutrient value of a ton of topsoil at \$5, which would be \$50 lost per acre annually. Even with the cheapest cost of soil loss per year, \$5 per ton, times the Iowa annual loss of 261 million tons, this equals \$1,305 million. That is a sizable amount, gentlemen, for us farm boys. Now, if a segment of our business economy lost this much as an annual average, there would be a big concern, possibly having disaster aid low-interest loans, special Government advisers, et cetera. And, that figure does not include the cost of removing the unwanted sediment. This, Representative Harkin and Representative Jones, is one way to justify what the value of Federal efforts could be to control erosion.

A 1978 study by Professors Cory and Timmons of Iowa State University reported in the "Journal of Soil and Water Conservation" projected soil erosion losses in 12 Corn Belt States under two production levels. They compared continuing historical production trends and increased production trends to meet increased export demands. Projections for 1985 revealed that erosion losses would increase 39 percent on the average in the 12 States and 68 percent in Iowa, if we continue to follow historical production trends. However, if production is to be increased to meet export demands, further row crop intensification and farming of erosion-prone soils will increase erosion losses to 72 percent in the 12 States; and Iowa's erosion losses are projected to increase to 102. We must keep in mind that most of our future cropland area will come from sloping land. Soil conservationists tell us that some fragile lands can be depleted in 20 years. Other lands need improved drainage if they are to become more productive. In the emphasis for all-out production, reducing cropland wetness is the fastest way to increase yields.

Although we currently enjoy a productivity balance, population estimates indicate that we will not enjoy the surplus in the foreseeable future. We have been lulled into a false sense of security by full grain bins and technology increases which have masked erosion losses.

We, as a Nation, need to adopt new policies to remove the instability from agriculture. Farmers who cannot make a profit cannot invest in soil conservation. Farmers who are unsure of their future in agriculture are unwilling to make long-term soil conservation investments.

USDA policies should be reexamined. Assistance to drainage is restricted, yet technical and financial assistance to help farmers row crop hillside land is encouraged. The \$3,500 ASCS cost-share limit should be reexamined since several thousand dollars can be approved for grain bins or irrigation systems.

I would ask you to inform your committee of our soil and water management program needs and to urge a stronger commitment from the Federal Government in soil conservation and nonpoint source pollution control problems. The immediate and long-range efforts of your committee's actions are important. I believe the ability to produce food in our country and for food-deficient nations deserves a higher national priority than the current 2 percent of the Federal budget.

The Federal budget for Agriculture Stabilization and Conservation Service cost-share has remained at \$190 million for the past 10 years, yet inflation has reduced the program's buying power.

The proposed Soil Conservation Service budget increase for fiscal year 1980 will not be sufficient to absorb the fiscal year 1979 pay increase, offset inflation, and handle a possible fiscal year 1980 pay increase. As a result of this, plus personnel ceilings imposed from time to time on the Agency and a current replacement policy allowing only 4 of every 10 vacancies to be filled, will mean 500 less positions to provide technical assistance to farmers than were available in fiscal year 1979. It will get worse next year unless something changes.

When a farmer is ready to spend disposable income on soil conservation, availability of cost-share funds and the timeliness of a soil conservation technician's being available to assist in design and practice installation can mean the difference between whether the soil-saving practice is installed or not.

The lack of adequate funding for adequate agricultural research should be reviewed by your committee. We need to know more about the spinoffs from increased chemical use, increased amount of crop residue left on the soil surface, and aspects of intensive row cropping on soil tilth. Agriculture Experiment Station and Cooperative Extension Service soil conservation programs are seriously underfunded. Fifty percent of Iowa farmland is owned by absentee owners. We need new education programs to work with these people.

The Four-Mile Creek research project in Tama County, Iowa, has been jeopardized by lack of funding. With farmers ready to do the various tillage experiments and with research instruments in place, funding is in question as to enable the research to be completed. The land treatment is approved for funding through ASCS. We will miss a golden opportunity on research unless funds are restored for the research project.

The rural clean water program was to provide funds for nonpoint source pollution control as is provided for point source control construction grants. Yet, only \$20 million, a pittance of the original plan, was funded to implement a program which was implemented by a different USDA agency than State sponsors had been told to work with. Although Iowa was fortunate to receive funds for 1 of the 13 projects funded nationwide, local people who had donated many hours to this program developing plans and project applications were disappointed.

It seems somewhat of a paradox to hear of the lack of Federal commitment to programs which will sustain our Nation's strength as a food producer, which will reduce air and water pollution, and will conserve nutrients and energy, when we have a strong show-

ing of public support for the program as demonstrated by the respondents in the Resource Conservation Act, the farmer opinion poll conducted by Wallaces Farmer magazine and the nationwide support revealed by the January 1980 Louis Harris poll. In fact, the Harris poll sampled nearly twice the number of people interviewed in making Presidential polls, and the results were quite revealing. The pollsters found a strong public concern regarding shortages of food and good land for producing food. A 77-percent majority felt we have not yet reached the point in soil and water conservation efforts where we should be more concerned about holding down costs than completing the work that remains to be done. RCA respondents listed soil conservation as their overwhelming concern in resource management.

In Iowa we feel a strong sense of responsibility for soil conservation. The State's agricultural economy depends on the strength of our soil. We are aware of the consequences of a lack of action. Our soils will become depleted and our aquifers will become polluted or dry. We do not want to forfeit this right for future generations.

Iowa has long been recognized for its leadership in soil conservation. We were the first State to develop erosion control legislation and to establish soil loss limits as a benchmark for erosion control programs. We lead the Nation in developing a cost-share program which has now received over \$30 million in State funds to effectively lower the cost of installing expensive soil conservation measures such as terraces.

I would like to ad lib here a little bit and state the legislature had no intention of replacing Federal dollars, they were interested in furthering the intention of soil conservation when they did appropriate these additional funds.

Iowa is investing funds to accelerate the soil survey program and watershed planning and is providing technical and clerical support to soil conservation districts. We have developed a nonpoint source pollution control program as part of the State's water quality management planning process, which has been accepted by the U.S. Environmental Protection Agency. Our efforts are not only a State effort, since last year 26 counties made first-time-ever financial appropriations to soil conservation districts with over one-half million dollars of funds in total. Today, more than ever before, soil conservation districts are in a leadership position.

We often fail to realize the impact of Iowa's program until we go out of State to multistate leadership development meetings and hear our counterparts review plans to seek similar legislative authorities and express their hopes of initiating programs to identify fragile soil areas and high-impact water areas and to prioritize water quality management objectives, as Iowa has done.

Iowa's RC grant served as a springboard for new program dimensions. Our program has again received nationwide attention as the Iowa soil 2000 program was developed last year. This program establishes a 20-year master plan for reducing soil losses to a nondepleting level by the end of the century. Iowa is the only State in the Nation which has developed such a policy statement. The conservation folder concept, as a landowner contact and awareness device for motivating landowners to initiate soil and water management programs, is a first-of-its-kind attempt which was started

by the Washington County Soil Conservation District Commissioners. The recently developed Iowa till program and wind erosion control incentives program are also first-in-the-Nation State incentive programs encouraging crop residue management as an alternative to cost-intensive structural erosion control practices.

My reason for making the comments about Iowa's program support is as follows. The State of Iowa's soil management and water quality programs are not an average situation. Iowa's input in this effort at the State and county levels leads the Nation in non-Federal support dollars. Although \$12.8 million of Iowa taxpayer funds are used to support these programs, there is no recognition of this effort in allocating Federal assistance dollars to the State. In fact, Iowa ranks eighth in receipt of Federal appropriations for total SCS obligations. We find that hard to understand when we consider that Iowa leads the Nation in food production and also has the highest total tonnage erosion losses in the Nation. Perhaps some review of how these policies are made is in order. The concept of regionalizing USDA assistance by erosion needs versus the current method needs examination.

I recommend that your subcommittee give consideration for increased State and local roles in soil conservation and water quality program management. The potential of grants to States, such as the rural clean water program, the clean lakes program, and the Resource Conservation Act, has already proven to be workable. Further refinements of these programs to allow State and local program flexibility and administration is desirable. Increased appropriations for grants such as these are needed. Consideration of State grant programs to allow more local direction holds great potential for strengthening the Federal, State, and local partnership.

With the leadership of Iowa in this department, maybe a grant to promote the green ticket program might be in order. It might be something you might consider.

Iowa's soil conservation program has benefited from Federal grants under RCA, RCWP, and CLP. Not all States are ready, but we could serve as a pilot State for development of additional grant programs.

I would like to commend Congressman Jones for introducing the Special Area Soil Conservation Act of 1980 and wish to voice my support. Being from Pottawattamie County, I can attest to the special problems of the Loess Hills region of southwestern Iowa. We encourage continued work on this bill, wish you the best of luck on it, and give you our full support.

We are entering a new era for soil conservation. This is a time for responsible action and renewed commitment, not blind optimism. We have gone through the decade of the 1970's as an awakening regarding the environmental ethic. We are aware of our resource problems and needs. We have survived a one-two punch of soaring interest rates and falling commodity prices, but farmers stayed in there and came out with a new savvy on reduced tillage.

Iowa's soil conservation districts have experience and have proven their leadership ability. Developing a viable 1981 farm bill will provide an opportunity to renew the Federal commitment to

the soil and water conservation program partnership with State and local governments.

One of the roots of the funding problem at the Federal level is that appropriations for soil conservation are discretionary, while items such as defense and welfare are not. As a result, soil conservation programs are an easy target for budget cutting; and the clientele served are not in a sufficient number to carry political clout.

A way to assure a continuation of adequate funding, such as a dedicated revenue, is needed to allow development of long-term soil and water management plans. The hiring freeze, personnel ceilings game provides a poor excuse for inadequate budgets. Insufficient cost-share and technical assistance can often undo what USDA programs have accomplished over many years.

I appreciate the opportunity to address your subcommittee. Thank you.

I would like to add, much of what we produce in Iowa goes out of State. A lot of it goes for helping the balance of payments for this oil we import from the OPEC countries. Yet I think one point to remember is that somewhere, under the surface of that soil in those OPEC countries is that last gallon of black gold. When they pump that out, that is it. Yet here in Iowa, where we have been known as the breadbasket of the Nation, and we are now known as the breadbasket of the world, we can project into infinity, the production of food and fiber. If we protect this base, our soil and water, we can last indefinitely. How much better heritage can we leave to our children and grandchildren than a soil that is possibly better than when we received it, capable of producing plenty of food and fiber.

Mr. HARKIN. I am glad we had you as the opening witness. That was the most comprehensive statement we have heard in a long time.

Mr. JONES of Tennessee. If you will yield. I should have made one further announcement. I hope all the witnesses can remain until we have heard everybody. Then we will call you all up onto the first row and we may have some questions for you.

Mr. HARKIN. Our next witness is Cecil Conry, Elliot, Iowa, representing Iowa National Farmers Organization. The national headquarters is located here.

Mr. JONES of Tennessee. It might help Mr. Conry to know I am a paid-up member of NFO.

STATEMENT OF CECIL CONRY, ELLIOT, IOWA, NATIONAL FARMERS ORGANIZATION

Mr. CONRY. Mr. Chairman, I am Cecil Conry of Elliott, Iowa, speaking to you as district president of the NFO. In my farming operation I am a producer of grain and hogs.

First let me thank you for arranging this opportunity to present our views. I would also like to express our appreciation for your services in the U.S. Congress, Mr. Harkin. We know you are a hard-working member of the Agriculture Committee in the House.

As a producer in this greatest of food producing areas in the world, I want to emphasize that we have two strong interests running throughout our organization.

It would be difficult to decide which is the most important to our farm families, so we work hard at each of them—bargaining for better prices on our production, and investment of some of our income in conservation of soil and water for our children and the others who are to follow us in stewardship over the land. I am sincerely convinced that every farm family who owns land or even the tenants who look forward to the time when they will own their land, will make every effort to maintain its productivity if they have fair prices and a chance to pay for the needed conservation practices.

So, we appreciate your efforts on farm legislation that would improve our prices, and we want to work with you in developing better conservation policies to be followed in the Department of Agriculture.

Let me say in passing that our Washington office has advised me of your exploratory efforts to seek other methods of finance for this conservation work other than depending on taxpayers' money alone for assistance.

I refer to your recent press release in which you were speculating on the possibility of imposing a commodity export fee or tax on commodities that we are shipping abroad. As I understand this proposal, this money would be earmarked for use directly for farmers to aid in the installation of needed soil and water conservation measures. I hope you will continue these efforts to develop this concept. Perhaps those of us who are interested here in the country can advise and work with you on the new idea.

Let me turn now to another aspect of our nearly uniform interest in conservation of land and water, even as we use these resources annually to produce about 10 billion bushels of grain and other important food commodities each year. We have had various conservation plans and programs that were first developed more than 40 years ago and our costs of production have risen as you well know. The cost of operating our Government at all levels has also increased substantially. As we have been put on the spot, so to speak, by the OPEC nations from whom we must buy oil and face various other difficulties, commonly labeled inflation, unemployment, unwarranted high interest rates, and other major expenses, we have all been called upon to reexamine our budgets and our methods of doing business.

I think we are also called upon to reexamine our Government agencies and the methods used in the administration of various Government programs.

Let me be specific. In his first campaign, President Carter promised reorganization of the Government agencies and reduction of duplication in the many departments of Government. Some progress seems to have been made in clearing up the food stamp program. You are reorganizing the crop insurance program. The Farmers Home Administration is undertaking to carry a very heavy workload.

We appreciate and admire the hard work of the civil servants when they will apply their talents directly to the programs for farmers.

It seems appropriate, however, to take a good hard look at how our soil and water conservation efforts are handled in the Depart-

ment of Agriculture. The technicians of the Soil Conservation Service have performed admirably since their first authorization was enacted by the Congress in 1936 by the Soil Conservation and Domestic Allotment Act. The elected farmer committees and the office people and the ASC organization that succeeded the old AAA structure of many years ago has demonstrated a real commitment to help farmers.

I want to put on record at this point some very serious reservations regarding H.R. 6732 and similar legislative proposals. We would, of course, appreciate the benefits of having in this district one of the seven designated areas authorized by this proposed bill. However, we are concerned about extending the duplication in the handling of conservation assistance by these two large agencies in the Department of Agriculture.

Let me ask you—instead of having two selected boards of farmers running conservation programs—have you thought about reorganizing the USDA to require that the very capable SCS technicians and the equally professional people in the ASCS office who administer farm programs work under one farmer committee in each county?

I understand this new bill would only authorize starting some pilot projects in the seven areas to be designated by the Secretary of Agriculture. Contracts would be made with farmers who were found eligible to get the assistance offered by the Government in establishing new conservation plans and practices. The SCD Board would be in charge of approvals. It is similar in nature to the Great Plains program ran by the SCS in some of the States west of us. We do not like the idea of additional duplication of program efforts. It does not seem appropriate to us to have one office dealing with one group of farmers and the other office seeking to assist a second group with similar grants or payments when we are all farming in the same community and working toward the same goals.

Incidentally, we also think it is very unnecessary for the political spokesmen for these two agencies to be competing with one another for attention, money, and power in the Department of Agriculture.

So, in conclusion, we wish to make it clear that we admire and support the efforts made in behalf of saving our soil and water—we appreciate such assistance as may be made available to help carry out this work on the land. That is where we need the help—but we think you should take a hard look before you provide another proliferation of programs, each of which will have to secure funds in a tight budget atmosphere both in the Congress and the executive branch of Government. What would be gained by starting a new program and cutting the funds available in the ACP program that are already too restricted?

In your call for this hearing there was some reference to “encouraging or requiring” good conservation practices. Now, Mr. Chairman, this should not require any great argument or detailed explanation. The real farmers of this country have in the past, and will in the future, cooperate in voluntary programs to conserve soil and water. We will not respect any proposal to establish some bureaucratic control over our farm practices. If you establish a

requirement that we must accept a conservation plan and the dictation of some technician to participate in other farm programs, we will simply stay out of those programs. You must realize, with only about 20-percent participation in the 1979 corn program, the USDA is already operating with too many confusing regulations.

Your SCS technicians have demonstrated that they are capable, but someone is undertaking to use them politically when they propose mandatory conservation as a policy. Said in another way, it is hard enough to face the high cost of farming today. If we must stop the tractor and wait for the technician to complete technical plans and then tell us when to go into the field, we will be finished for sure.

We appreciate this hearing. As a farmer I hope to advise and aid you in developing these policies. Conservation is vital. We can help each other.

Mr. HARKIN. Thank you very much. I appreciate your frankness on the reservations of this bill. But that is the purpose of these hearings, to work the bugs out and determine if there are alternative ways we might wish to proceed.

Thank you very much.

Our next witness is Bill Hawks, Creston, Iowa, representing the Iowa Agricultural Stabilization and Conservation Service.

STATEMENT OF BILL HAWKS, CRESTON, IOWA, IOWA AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

Mr. HAWKS. Agriculture Stabilization and Conservation Service, known as ASCS, has cost-shared conservation measures with farmers since 1936. My agency is very proud of its accomplishments toward soil and water conservation. The cost-share assistance is provided through the Agriculture Conservation program known as ACP. ACP is a flexible program that can be and is changed to meet the ever changing conservation needs. The very popular program is used by the farmer to help solve soil and water conservation problems.

In 1979, the latest year statistics are available for the Iowa ACP, 11,535 farmers participated in the program receiving cost-share totaling \$8,951,914. The terrace practice accounted for 33 percent of this allocation. Other conservation practices available and used in the State include long-term seeding, strip cropping, windbreaks, conservation tillage, water impoundment reservoirs, sediment retention structures, sod waterways, animal waste control facilities, forestry planting, wildlife conservation, and contour farming.

Nationally some of the past accomplishments of the program since its beginning in 1936 include the following: Construction of 2.1 million miles of terraces. Planting 6.5 million acres of trees, improved 4.8 million acres of wildlife habitat, and achieved strip-cropping on 115 million acres of land. The achievements of the program were compiled by the information service of ASCS.

Today my No. 1 purpose is to plea for additional funding of the ACP. Requests far exceed available funds. Conservation must be established on the land before our natural resources are depleted by erosion and pollution. With additional funds for the program, we can assist the farmer through cost-share to establish needed conservation measures to protect our soil and streams. Without

cost-share assistance, the producer cannot afford to install the needed conservation measures.

ACP's original national authorization in 1936 was \$500 million. In 1980 the national authorization was reduced to \$190 million. The need for additional funds exists, conservation measures cost more to install today, it is important funding be restored and increased for ACP. The national 1980 ACP allocation would be \$3,850 million if the allocation had been increased to allow for inflated costs, and kept in relation to the original allocation level of 1936. The allocation increase was indexed by ESCS.

In 1945 Iowa ACP provided \$14,157,000 to cost-share conservation work. This year, 1980, Iowa has received \$7,278,000 for ACP. As I stated before, the need for funds has increased, but ACP funding has decreased.

ASCS requires a review of ACP each year at the county, State, and national level. ASCS has been encouraging long-lasting conservation measures, and energy conservation measures when the program is reviewed. The development group reviews the past year's program and develops new practices to meet current conservation needs. Members of the county development group include ASCS county and community committees, other Government agriculture agencies in the county, business leaders, and anyone interested in the development process. The State then follows the same process. You can see these groups representing every county and State of the United States are well qualified to develop and analyze a good up-to-date conservation program. In fact, our awareness of problems and development of solutions is a very strong point of ACP.

Through our development process for 1981 we have received some suggestions I wish to pass on to you. Our counties feel the maximum payment limitation delays conservation work and does not allow for efficient use of contractor's equipment. Presently the maximum payment limitation is determined as of fiscal year in which payment is made as determined by the date on the producer's sight draft. By law, the total Federal cost-share payment that a person may receive under the ACP on all farms and ranches in the United States shall not exceed \$3,500 per fiscal year. When several persons join together in a pooling agreement to solve a mutual conservation problem, the total payment per person for a fiscal year in ACP cannot exceed \$10,000.

The counties would like to complete a project in 1 year rather than having to complete the project in yearly steps to avoid the payment limitation. Another suggestion recommends a payment to the producer who agrees to set aside land for summer construction of a conservation measure. The payment will be made for setting aside the land and also cost-sharing construction of the project. Construction set-aside will allow construction of practices in cropland areas. Without the set-aside, the producer will not construct the needed conservation measure. Other recommendations include more conservation tillage and energy conservation measures. Production practices have been eliminated through national direction and the development process.

During a recent discussion with a banker from south central Iowa, I asked him if he had any suggestions for this hearing today. He stated property taxes on his farm had just been increased 40

percent. With operating costs continually on the rise, and no guaranteed return to the farmer, increased cost-share is a must. He also went on to state how important long-term seeding is in the ACP.

Iowa has a 1980 rural clean water project in Shelby County called the Prairie Rose Lake RCWP. The project has been readily accepted by the farmers in the affected area. The cooperation between Government agencies has been excellent. The projected cost is \$662,710.

The RCWP takes water quality into consideration. The Department of Environmental Quality will monitor the area to determine results of the project. Data collected will be compiled and made available to help analyze the effectiveness of best management practices use in the project area. The project encourages blending or joining together of practices to obtain desired results. Iowa ASCS feels the project will offer valuable information for conservation efforts in the future and also improve the water quality within the project area. The project can take up to 15 years to be fully established and completed.

Iowa has also been the recipient of a nationally funded special ACP project located in Tama County known as the Four Mile Creek Watershed. ASCS has funded this project in the amount of \$551,000. This project is designed to establish needed conservation on the land and have DEQ evaluate the effectiveness of the project. The practices are cost-shared at 90 percent of average cost, up to maximum payment limitation. The project was approved in 1979 and has continued through 1980. Additional funding will be needed to continue the project. A request for an additional \$250,000 is now pending Washington approval.

The Iowa State ASCS Committee has approved 13 special ACP projects within the State. The projects are designed to encourage a cooperative conservation effort which benefits the community, or to develop new and better ways of meeting conservation and related environmental problems. The approvals total \$804,371. In all cases the State committee requires funds are also provided from other sources before a special project is approved. The cooperative effort provides additional funds for the projects and also provides for a successful project.

Iowa ASCS has cooperative agreements with the State of Iowa, county, and city government. The agreements allow each party to join together and solve conservation problems. We feel this is a big step forward because it takes cooperation of everyone to meet the State's conservation needs. The Iowa State ASCS Committee will continue to explore and encourage cooperative agreements in the future.

In conclusion, I will review some important points: ACP has been and continues to be a very effective soil and water conservation program. It is important that additional Federal funds are made available in the future for ACP. The program is locally developed and benefits the farmer and consumer alike. ASCS plans to continue in cooperation with other conservation minded groups to establish needed conservation measures on the land. Preserving our soil and maintaining quality water for the future is our goal.

Mr. HARKIN. Thank you very much, Bill. If you can stay around, we would appreciate it. I especially appreciate your mentioning of

the construction set-aside for summer construction. I hear more and more about that as I go around.

Mr. HAWKS. We have been receiving a lot of requests.

Mr. HARKIN. I think it is something we can do something about so you can get that work done in the summertime.

Our next witness is Ward Scott, Farragut, Iowa, president, Iowa Soybean Association.

Ward, we want to welcome you. Ed asked me how many soybeans we had up here and I said when I was a kid, we had none. Now it is the second largest crop.

STATEMENT OF WARD SCOTT, FARRAGUT, IOWA, PRESIDENT, IOWA SOYBEAN ASSOCIATION

Mr. SCOTT. It was the largest. Please do not get me started on soybeans. I am here to talk about conservation.

I want to talk off the top of my head today. I am Ward Scott. I am a retired farmer on 320 acres. My great-grandfather bought the farm in 1858. My father built the first terrace in 1937 with the Civilian Conservation Corps. I think we have our farm pretty well controlled as far as erosion goes. I think terraces are the best method of controlling erosion on hill land that there is, but they must be used in combination of minimum tillage and grass waterways and contouring.

Our soil is the type when it rains on it, there are level-type terraces and the water soaks away in a short time. There recently has been the push up narrow type terraces, which personally I do not like. But I had quite a surprise this spring. I called the conservation man out to lay out some terraces, and I found out they will not build any type except the push up type terraces. I do not like them, personally. There are people who swear by them, and they are probably right in their thinking, but I do not like them because I think they are unsightly and they are a harbor for rodents. Tree sprouts love to grow there, and weeds. They are hard to maintain. We have had no problem with the level-type terraces.

Mr. HARKIN. As a pheasant hunter, they help the pheasant population.

Mr. SCOTT. How do they lay eggs on that slope, though?

Mr. HARKIN. When I get through pheasant hunting, I walk with a limp.

Mr. SCOTT. They said I was not eligible for funding because of the type terraces I build. That is my gripe. I am a firm believer in the Soil Conservation Service, but I think sometimes they have also made mistakes.

When we started, they advocated putting in locust trees, and we are still fighting them. The next thing was multiflora roses. Then I recall a bulletin on how to farm the terraces. If anybody has tried to turn a combine in a terrace, you realize what some of the problems are. Maybe some of the regulations and rules should be written by people using the terraces. These are my own personal observations, and do not pertain to the soybean association. In working with a group of directors from all sections of the State, I find some in the level areas of central and northern Iowa who do not have the regard for terraces that I have. They are no fun to

farm, they are hard to farm, but they do beat trying to turn around in a little ditch that happens to wash down.

We realize the soybean association has no power to enforce anything. However, we did recommend where soybeans are put on land subject to erosion, we recommend they use the best available soil conservation practices when farming that land. We realize they loosen the soil and do cause erosion, but with the modern farming methods of minimum tillage and other practices which I have mentioned, I think we can go a great ways toward controlling erosion.

Thank you very much.

Mr. HARKIN. Thank you very much for coming here, and we appreciate your association addressing the problem of soil conservation.

[The prepared statement of Mr. Scott follows:]



IOWA SOYBEAN ASSOCIATION

SUITE 402, 1200 35TH STREET, WEST DES MOINES, IA 50265

My name is Ward Scott. I am president of the Iowa Soybean Association. I live on a 320 acre farm in Fremont County. It is a century farm purchased by my great-grandfather in 1858. The farm is rolling upland Marshall silt loam. My father built the first terrace on the farm in 1937. It has been almost completely terraced for a good many years. I have many brome grass waterways and turnrows at the fencelines.

The farm has been under an agreement with the local Soil Conservation District for many years, so I feel I can speak on how conservation practices have helped me. I feel that I have erosion pretty well controlled on my farm except in the case of a very heavy rain such as hit Atlantic this spring.

My tenant does not use a moldboard plow anymore except to plow and maintain the terraces. He uses a chisel on the contour and a heavy disc on the cornstalks.

Since I retired several years ago and do not have any livestock we have gone to a corn-soybeans rotation. I realize that soybeans loosen the soil and can cause much soil erosion by wind and water so we try to leave as much cover as possible.

I believe terraces are the best method of controlling runoff and government participation in the cost of building them should be a must.

The terraces on my farm are of the level, broadbase type. This spring when I applied at the local SCS office for assistance, I was told that in order to get it I would have to build the push up narrow base type because of the percent of slope where I wanted it. I refused because I think they are unsightly, hard to seed and maintain. They are a harbor for weeds, insects and tree sprouts. The broad base have proved to be satisfactory to me and my operations and I see no reason to change. I believe it is arbitrary and discriminatory to put such restrictions on what kind of terrace can be built.

Terraces are a long time permanent erosion control practice and I believe should be funded more adequately by the government.

I believe participation should be voluntary but incentives offered that would encourage more participation.

The Iowa Soybean Association in recognizing that soybeans do loosen the soil have adopted the following resolution, "We recognize that soil is our most important asset and soybean producers should be encouraged to use soil conservation practices necessary to maintain long time soil fertility".

Mr. HARKIN. Our next witness is Lee Honeyman from Emerson, representing the Iowa Farm Bureau.

STATEMENT OF LEE HONEYMAN, EMERSON, IOWA, IOWA
FARM BUREAU FEDERATION

Mr. HONEYMAN. I am glad to see so many friends from Montgomery County.

Mr. HARKIN. Thank you very much for coming up this morning.

Mr. HONEYMAN. Congressman Jones, Chairman Harkin, members of the Agriculture Committee staff, and friends, I bring regrets from Dean Kleckner, president of Iowa Farm Bureau; urgent conflict prevents his presence here. Dean asked me to make the Iowa Farm Bureau statement here because of my experience with erosion control, work in the Iowa Farm Bureau house of delegates on conservation policy, and participation in the recent emphasis on conservation education in Iowa.

The recent survey under the Resource Conservation Act of 1977 documents the need over the State of Iowa, as did Mr. Stille, for a greatly expanded program of soil conservation, to be maintained over many years, if we are to reduce our soil losses to acceptable levels. Public awareness of this need is required for an effort of this magnitude, and education and information programs must be intensified as a foundation for public support, which has been mentioned many times this morning. Coordination of Federal, State, and local conservation offices is needed to inform nonparticipating landowners. The Agricultural Extension Service should continue specific work on conservation topics and relate all ag production education to conservation.

We believe that the success of such a program will depend on the voluntary cooperation of each individual farmer and landowner, as Cecil from the other side of Montgomery County emphasized previously. Farmers have voluntarily matched all cost-sharing funds available—both State and Federal—for several years. Applications far exceed funds available, and no one can estimate the number that do not apply, knowing funds are exhausted early in the year. All this means that permanent soil structures—terraces, dams, diversions—are limited to a fraction of possible construction by lack of cost-sharing funds. Our district conservationist said informally, if we could have enough funds to operate at a higher capacity for a few years to determine what the potential for cooperation is in the county, to see what could be done, that would give us at least a perspective.

We have the State conservation office which assures me this shortage of funds is typical all over the State of Iowa. I know my experience and contact is quite limited to my immediate area of the State and not of the magnitude, for instance, of Mr. Stille.

As an example of the need situation in Montgomery County, soil conservation district conservationist Jerry Koster estimates that 108,700 acres have been treated in our district of the 206,800 acres that need conservation practices. It would appear that we are just over half done with this job we have been working at for 40-odd years. Two of the commissioners are here in the room whose families have been intimately connected with that operation. Adding the impact of inflation and increased technical costs to the game

produces a really discouraging forecast, however. We will only treat another 1,000 acres per year in the next 5 years, it is estimated. This is based on present cost sharing figures of \$46,000 Federal plus \$76,000 State of Iowa funds. Do not divide untreated acres by 1,000 per year—you will discover we are doing next to nothing.

The present proven structure in which locally elected soil district commissioners and ASCS committee members approve and authorize the program, with technical services provided by the soil conservation service, should be continued. This system provides the best opportunity for technically trained personnel to work directly with landowners and operators in developing conservation plans and management practices.

Each farm should have a conservation plan. Every plan should be developed with alternatives which allow that farm manager to select soil management practices that are consistent with his particular farming operation. The plan should be based on conservation guidelines for that farm's particular soil, topography, and weather; options within those guidelines should allow for the decisionmaker's personal skills, finances, judgment of markets, economic outlook, and for technical change that comes so rapidly in our industry. This flexibility is required, it seems to us is well illustrated by a 1980 conservation problem near home in Montgomery County. This farm had been served by an excellent plan for many years. The owner-operator had received a soil award from these men, of whom two are here, as I said. But the time came that he was forced to retire from breathing too much of this fine soil dust while riding open tractors and he rented that land to a young man. Then at that time, when it came time for him to plant, the conservation problem immediately came to life again. They found that the grass headlands were too narrow for the planter to turn, that the pastures were not needed by the young renter for his livestock, that the terrace intervals were too narrow for his 8-row cultivator without plowing out large areas of beans and corn. Technical change and a change in the farmer had necessitated a new solution to an ongoing problem.

Which brings me to another matter—the ongoing, never ending need for research on best management practices for soil conservation. Such research has to be localized as to soil type, climate, and topography. The Agricultural Research Service farm of the USDA at Treynor in this county is an excellent example. Minimum tillage and no-till farming are the kind of practices that can be researched, demonstrated, and promoted by such farms. May I say, it is my personal conviction that a great part of our problem is the cheap-food policy and low prestige of agriculture during the 1950's and 1960's, which resulted in reduction in research and education. There was a substantial period there during which nothing was done in education and very limited funds allocated to research. The closing of our Page County farm rankles yet southwest Iowa.

Consideration should be given to the use of various incentives to encourage farmer participation in soil conservation. Among these are an income tax credit on Federal and State taxes equal to a percentage of the cost of installing permanent soil erosion control practices; low-cost loans to help finance farmer cost-sharing efforts; and payments, Congressman Harkin, for the loss of crop income

from land set aside for construction of conservation practices during the growing season.

The small watershed program has been an effective area erosion control method. The requirement of conservation practices on at least 75 percent of all land in the watershed forces sponsors of watershed projects to promote better understanding of all aspects of the program. Additional Federal funds should be made available to step up the tempo of the construction phase of the small watershed program. We recommend the approval and processing of small watershed plans at the Federal level as expeditiously as possible.

A matter which has not come up as yet this morning is the matter of urban erosion, which is a very real problem. It affects both private landowners and public facilities below development sites. Erosion control requirements should be included in subdivision ordinances. Soil district conservationists should provide technical assistance in developing erosion control ordinances. Highway construction and repair plans should include provision for temporary soil protection measures.

Iowa was the first State to appropriate funds for soil conservation cost sharing payments. The current \$6 million annual appropriation far exceeds funds appropriated in the few other States which have followed our lead. Iowa citizens pay more than \$2 per person for cost sharing; other citizens of the United States pay less than \$1.

But soil loss from wind and water erosion continues to be too high to allow us to maintain and improve our productive capacity without ever increasing energy inputs. The high priority of soil conservation requires dedicated and concerted efforts by private citizens, voluntary organizations, and all levels of government.

Mr. HARKIN. Thank you very much, Lee. We appreciate your comments on the proposal for perhaps some kind of income tax credit, deduction, or something like that. We were just discussing that.

Mr. HONEYMAN. These are Iowa Farm Bureau policies, not solely mine.

Mr. HARKIN. That is something that we will take a good, hard look at.

The next witness is Wayne Towers, Urbandale, Iowa, president, Iowa Land Improvement Contractors.

**STATEMENT OF WAYNE TOWERS, URBANDALE, IOWA,
PRESIDENT, IOWA LAND IMPROVEMENT CONTRACTORS**

Mr. TOWERS. Mr. Chairman, my name is Wayne Towers. I am president of the Iowa Chapter of the Land Improvement Contractors of America. I am appearing today in behalf of the 475 members of the Iowa chapter and the nearly 4,000 members of the national organization. LICA contractors have for some years served as the implementing arm of the ACP and Great Plains conservation program and other conservation programs. Therefore, we greatly appreciate this opportunity to present some of our views on the country's soil and water conservation needs.

To the members of our organization there are two basic questions relating to soil and water conservation:

One, is there a problem?

Two, if so, how do we solve it?

We have done our best to try to answer these two questions. I would like to share our findings with the committee today.

Is there a problem?

We went to the ASCS, the SCS, and the EPA for answers to this question. Here is what we found:

Our conservation programs are addressing only 1 percent of recognized needs.

Five to ten tons per acre of topsoil erode from America's farmlands every year, while only 4.3 tons is allowable to maintain productivity. I would like to add, the figures I am giving you here are average figures. For Iowa, this is short.

The average rate of soil loss for the State of Iowa is 9.9 tons per acre. It is not uncommon for a single cloudburst—after spring planting—when the fields are most vulnerable—to create a loss of up to 20 tons of soil per acre on sloping unprotected land. In southern Iowa last June, it came out in the Des Moines Register that after a real heavy rain there, there were reports that were put in the paper of 50 tons per acre from one rain, but there were reports of 200 tons of soil per acre from one acre. They would not print that because people would not believe it.

At the rate of 10 tons per acre, our topsoil will be depleted in as soon as 100 years. Crop production will begin to fall sooner than that.

A study by the USDA's Economics, Statistics, and Cooperative Service and the Soil Conservation Service on 2.1 million acres of southern Iowa farmland concludes that 9 percent of the land in the area studied is already severely eroded and by the year 2020, or in 40 years that figure will balloon to 40 percent.

This eroding soil enters our waterways, and according to EPA, creates over 50 percent of the daily loading factor—the single worst cause of water pollution.

We submit to this committee our conclusion that there is a clear and present danger threatening both our water supplies and our food production base.

That brings me to the second question posed earlier: How do we solve the problem?

Three currently available programs offer a wide range of solutions to the problem: The agricultural conservation program, the Great Plains conservation program, and 208—rural clean water program. They are different programs addressing distinct problems. ACP has flexibility and can reflect local needs. Great Plains is directed more toward long-term solutions. Rural clean water can tackle areawide water pollution problems. There is a need for each.

And yet, there is a greater need.

The soil loss problem is approaching proportions of the Dust Bowl days, and so should the solution. ACP, for example, was originally funded at \$500 million. It has done a tremendous job given the funds available. But funds have steadily dwindled over the years, and the problem has steadily worsened. Requests for ACP cost-share money are running 5 to 10 tons higher than the amounts available.

We need a massive, coordinated attack on soil erosion that involves the landowner, the government, and our major corporations. Everyone depends on the soil. It is in everyone's interest to save it.

The Land Improvement Contractors of America would like to recommend the establishment of a National Endowment for Public Conservation. Such an agency could be patterned after a number of existing ones. I am not going to give you all of them, but I will read the names of them: National Foundation on the Arts, a government agency; Corporation for Public Broadcasting, a quasi-governmental body; Rural Telephone Bank, a quasi-governmental revolving fund; and Highway Trust Fund, a user-tax-supported government program. Such a program could work closely with the U.S. Department of Agriculture, coordinating efforts. It would be intended to supplement, not replace, current Federal conservation programs.

From our perspective, the important ingredients might include: Federal funding earmarked through existing conservation programs, such as ACP, Great Plains, and rural clean water; higher cost-share rates like those in the Federal highway program, 90 percent, and EPA's waste treatment grants, 85 percent; broad tax incentives to landowners to encourage their participation; low-cost loans from a new revolving loan fund; tax-exempt grants donated by major corporations and foundations; governing board with members drawn from landowners, contractors, corporations, ASCS, and SCS. The telephone bank board is a good example.

Major steps of this nature are necessary because the conservation work simply is not getting done. The landowners are often not in a financial position to install large-scale practices on their own. Terraces, dams, and waterways are major capital expenditures for a farmer today. The return on his investment is often small, or spread out over many years. The life of such structures ranges from 10 to 20 years. The return on the investment may take as long. More help is needed to get the job done.

I would like to explore in a little more detail two of the ingredients just mentioned, that is: a revolving loan fund and the tax-exempt donations. First, the revolving loan fund. There is some evidence from our contacts with farmers and landowners that limited cost-sharing funds may actually limit the amount of conservation being put on the land. There is currently a limit of \$3,500 per landowner per year in ACP. In difficult economic times, landowners are tempted to stretch out conservation practices over many years so cost-sharing funds can help pay for them. But this is a losing proposition because there are never enough Federal funds. The end result is less and less conservation gets done. A low-interest loan program administered by ASCS and SCS jointly would offer sufficient funds at one time to do all the major conservation work necessary on a farm. We envision this as a revolving fund of approximately \$1 billion with loans available at 5 percent under prevailing prime interest rates. Once capitalized by the Government, over say a 10-year period, it would become self-sustaining, relending funds as principal and interest are repaid. These loans would have to be made without any precondition of credit being unavailable elsewhere in order to be an effective incentive to the landowners most likely to avail themselves of it. Finally, a revolv-

ing loan fund of this nature could stand on its own, or be included in a National Endowment for Conservation.

The second ingredient I would like to review in more depth is that of tax-exempt donations to a national endowment.

Many American corporations and foundations have sponsored educational programs for the Public Broadcasting Service. We can all recall seeing on the screen the words, "This program was made possible by a major grant from XYC Corporation." We feel just this sort of model could be successful for setting up private tax-exempt donations to a National Endowment for Public Conservation. By taking part in this conservation effort, an individual company could reap three benefits at once: (1) Give a tax exempt donation to a worthy cause; (2) receive good publicity produced by the endowment for acting in the public interest; and (3) in the case of agricultural corporations, stimulate a market for their own products. The Government and the people would benefit by having new financial partners helping reach an important public goal—preserving our most important food producing natural resources, soil and water.

In conclusion, the need for more conservation is well-documented. Yet, the flow of tax dollars to conservation programs has dwindled over the last 30 years to a seriously low point. New dollars and new directions are needed. Our organization strongly supports the concept of a tax-exempt program that embraces both existing Federal conservation programs and a variety of tax incentives and low-cost loans to stimulate more conservation. In short, America needs some form of a National Endowment for Public Conservation. We all know the concern for the oil shortages and really, I think we have forgotten the most important energy we have, and that is our soil. Oil can be replaced with other energies, but there is nothing known to mankind to replace our soil.

We also do recommend the replacement of the set-aside acres program. At present our construction season is from April through the end of May, if you can get a farmer to wait that long, then from just now the corn is coming out through November and that is the construction system for a conservation season. We want more set-aside acres and funds, but we ask your help to get more Government funds, also.

Thank you; that concludes my statement.

Mr. HARKIN. We have discussed in the subcommittee the national endowment concept. That has been talked about and it is receiving broader and broader support.

Our next witness is Gary Ludington, Atlantic, Iowa, district director for the Farmers Home Administration.

Gary, welcome to the subcommittee, and please proceed.

STATEMENT OF GARY LUDINGTON, ATLANTIC, IOWA, DISTRICT DIRECTOR, FARMERS HOME ADMINISTRATION, U.S. DEPARTMENT OF AGRICULTURE

Mr. LUDINGTON. The statements I have today were prepared by R. Myers, State director. I have two parts. One, the agency's role in financing soil conservation practices, and the other on land use policy.

The Farmers Home Administration makes soil and water loans and provides technical management assistance to owners or opera-

tors of farms and ranches for developing, conserving, and making proper use of their land and water resources.

Loan funds may be used to drill wells and otherwise improve water supply systems for irrigation, home use, and livestock; purchase pumps, sprinkler systems, and other irrigation equipment; acquire a water supply or water right; purchase water stock or membership in an incorporated water user's association; construct and repair ponds and tanks, ditches, and canals for irrigation; dig ditches and install tile to drain farmland; develop ponds and water control structures for the production of fish under controlled conditions.

These loans may also be used to level land; carry out basic land treatment practices including liming, fertilizing, and seeding; sub-soil or sod land; establish permanent pastures and farm forests; establish approved forestry practices on a farm such as pest control, thinning, and fire protection; for certain purposes to meet requirements for agricultural, animal, or poultry waste pollution abatement and control facilities.

Funds may also be used to build dikes, terraces, waterways, and other erosion control structures.

In addition, loan funds may be used to pay expenses incident to obtaining plans and making the loan, such as legal, engineering, and other technical services.

As of August 6, 1980, Iowa FmHA has obligated 54 soil and water loans for a total of \$641,920. Our target allocation of loans for the year is 60, and it appears this modest goal will be reached. Also, many loans that have soil and water characteristics have been written under our farm ownership program. The interest on soil and water loans is currently 11 percent.

In my short tenure as FmHA State director, the farm economy has been affected by serious economic problems. This has caused county supervisors an increased workload because more farmers are eligible for the program.

Loan funds have been stretched to the limit as well. Therefore, less time has been spent on soil and water loans than in the past. This coming fiscal year FmHA will place a greater emphasis on soil and water loans in the State, and I quote from our 1981 State management plan:

A basic objective of all types of loans is to encourage and facilitate the conservation, development and proper use of land and water resources by providing adequate financing. Therefore, FmHA will encourage applicants and borrowers to obtain technical assistance from SCS in meeting the land and water conservation and development needs. In an effort to leverage the dollars obligated and as a part of providing financial assistance to individuals, FmHA will encourage its applicants to apply for and obtain cost-sharing funds from ASCS whenever available. FmHA, SCS, and ASCS county and district personnel will meet with each other frequently enough during the year to assure themselves that they are familiar with current programs in each agency.

In my judgment, soil conservation and land use problems are critical to the survival of agriculture in this State, and hopefully funding priorities will reflect these needs.

I would like to read a directive which went to the field in September 1980:

U.S. DEPARTMENT OF AGRICULTURE,
 FARMERS HOME ADMINISTRATION,
 Des Moines, Iowa, September 15, 1980.

Subject: Soil and Water Loans.

To: District Directors and County Supervisors.

During this fiscal year the number of soil and water loans written in Iowa has decreased by approximately 30 percent from the previous fiscal year. In some cases the soil and water concerns have been satisfied by combining two loan programs into one farm ownership loan.

During the coming fiscal year, the practice of combining soil and water loans into farm ownership loans will not be acceptable for two reasons.

1. The amount of allocation for farm ownership will be stretched very thin in the State and it must be utilized as intended. Soil and water loans do not have a State allocation and we can make use of more farm funds by writing these loans separately.

2. All agencies of the USDA, including FmHA, must place a priority on soil and water concerns. By writing separate soil and water loans I hope to make sure that more funds are used for this purpose and also to focus attention with the borrowers on the problem of soil and water conservation.

One cautionary note. If soil and water loans are not written in the first part of the fiscal year, chances are other States will use the entire allocation before Iowa has a chance to get its fair share. Therefore, plan ahead and promote soil and water loans wherever the need is prevalent.

R. E. MYERS,
 State Director.

Expiration Date: September 30, 1981.

I would now like to read the statement as to the land use policy.

The purpose of this testimony is to explain Farmers Home Administration's position on the preservation of prime agricultural farmland, as well as the status of current land use policy.

Land use policy—A State land use policy will be formulated under the leadership of the community programs section with the supervision of the State director. This policy will be developed in accordance with the suggestions made in the Administrator's draft memorandum entitled "FmHA 1980 Land Use Policy."

The agency policy objective will be the prevention of the irreversible conversion of prime agricultural land.

State FmHA land use policy—The Secretary's memorandum No. 1827, revised, statement on land use policy is now being considered by the State coordination and administrative committee as to implementation in the State of Iowa. This committee has representation from all USDA agencies within the State. SCAC has designated a subcommittee for land use—of which FmHA is a member—which is now drafting a formal policy as to the Secretary's directive for the State of Iowa. Once the land use policy for the State has been accepted by SCAC it will be forwarded to the Secretary noting the official position of all agencies. It is planned that this will be accomplished by fiscal year 1981.

It should be noted at this time that there has not been passed an official land use law by the State legislature. There have been repeated attempts to enact such legislation, but proposals over the past years have not been politically acceptable.

In lieu of a SCAC land use plan or acceptable legislative law, FmHA will follow its own interim policy in administering its loan and grant programs.

We are concerned that all actions relating to the use of natural resources will cause no irreversible conversion of important farmland, wetlands, forest land, or encroachment on flood plains, unless other local, State, or National interests override the importance of

preservation outweighing the environmental benefits derived from this protection.

It should be noted where we are participants with other Federal agencies and the above irreversible conversion is involved, we will offer our comments or suggestions as to alternate courses of action which might be contemplated.

FmHA recognizes that we must maintain economically viable rural areas, composed of farms and rural towns, goes with protecting and enhancing the environment resources upon which these areas are dependent. It also recognizes that unless carefully reviewed, some proposals designed to serve rural communities can create adverse development pressures on land and environmental resources essential to farm economics. An example of this might be the extension of sewer and water systems beyond a community's existing corporate limits, causing development of commercial, residential, and industrial development without consideration of use of prime farmland for such expansion. While at the same time there may be existing sites for the same purpose within the corporate limits.

To avoid wasteful uses of these resources which produce undesirable results, rural community needs, that is, residential, industrial, commercial, public facilities, will not be approved unless the following conditions are considered:

One, the project is planned and sited in a manner consistent with Secretary's memorandum No. 1827.

Two, there is clear evidence of alternatives having been carefully considered of land use.

Three, where comprehensive and enforceable plans have been filed and passed, these will be used as a guide for growth to protect those important farmlands, flood plains, wetlands, and forest lands.

Four, a project will encourage long-term economically viable growth through development patterns such as compact community development; moderate to some high residential densities which might be appropriate to the area; development contiguous with existing community patterns; renovation and rehabilitation of existing structures, systems and neighborhoods whenever feasibly possible.

Five, we will be mindful of protection to endangered species; habitats; protection of scenic areas; protection of historic and cultural properties and how it relates with other interagency initiatives.

Six, all FmHA personnel will review with applicants as to the intent of land use policies as implemented by this agency.

Iowa has a number of existing regional rural water systems financed by FmHA, furnishing water to farms, rural residents, and small communities.

These systems are located in areas of the State which have had historically either unreliable sources or quality of water or both. We believe these systems have increased living standards and the economic base of rural Iowa. It is not our intent to approve for construction, design which would not provide for the orderly development patterns as outlined above but to approve designs consistent with FmHA land use or local zoning requirements as it relates to patterns of growth.

As an integral part of this land use policy, all rural water systems applicants will be encouraged to seek resolution of land use problems within the applicant's proposed area. The agency will encourage land use planning and county zoning plans whenever a rural water system organization submits a preapplication. This is a suggestion and not a requirement because the agency land use plans have yet to be written, and it is anticipated that USDA will be preparing a permanent land use policy in the near future.

The statement as outlined here is an interim land use plan. It will be refined in the future to bring it in line with the development SCAC land use statement and revisions of the Secretary's memorandum.

A completed FmHA land use policy statement will be formulated during the 1981 fiscal year. Community programs will be the lead section for the purpose of writing the plan. The State director will appoint the persons necessary to write for all levels of the agency. A representative of community programs will be designated the chairman.

While formulating this plan, we will consult and educate those outside our agency as to the purpose of the FmHA plan for the State.

[The attachments to the statement follow:]

SUBJECT: Farmers Home Administration Land Use Policy (Draft Policy)

TO: Area Coordinators
Deputy Administrators
Assistant Administrators
Division and Staff Directors
All State Directors

The purpose of this memorandum is to establish a land use policy for the Agency. Following the release of the attached Secretary's Memorandum No. 1827, Revised, Statement on Land Use Policy, a task force composed of a variety of Agency officials, including the Deputy Administrator for Rural Development, Area Coordinators, Assistant Administrators, and some State Directors, developed draft implementation policies. Their recommendations have provided the basic thrust and essential framework for the policy which is now being announced.

A. Content of Policy

1. Natural Resource Protection and Economic Objectives

FmHA recognizes that its specific mission of maintaining economically viable rural areas, composed of farms and rural towns, goes hand in hand with protecting and enhancing the environmental resources upon which these areas are dependent. Basic resources necessary to both farm and rural settlements include important farmlands and forestlands, prime rangelands, wetlands, and floodplains. The definitions of these areas are contained in the Appendix to the Secretary's Memorandum.

Given the importance of these resources as emphasized in the Secretary's Memorandum and Executive Order 11988, "Floodplain Management" and Executive Order 11990, "Protection of Wetlands," it is FmHA policy not to fund any proposals that as a result of their direct or secondary impact would lead to or accommodate either the conversion of these land uses or encroachment upon them. The only exception to this policy is if the approving official determines that (1) there is no practicable alternative to the proposal, (2) the proposal conforms to the planning criteria identified in the following paragraph, (3) the proposal includes all practicable measures for reducing the adverse impacts and the amount of conversion/encroachment, and (4) the requirements of the Executive Orders pertaining to wetland and floodplain protection have been fully met.

It is also recognized that unless carefully reviewed, some proposals designed to serve the needs of rural communities can adversely affect the existing economic base and settlement patterns of the community, as well as create development pressures on land and environmental resources essential to farm economies. An example of such a proposal might be the extension of a water or sewer system beyond a community's existing settlement pattern and into important farmlands for the purpose of commercial, industrial, or residential expansion, even though there is available space within the settlement pattern for such expansion. Not only may the loss of important farmlands unnecessarily result, but the community may be faced with the economic costs of providing public services to outlying areas, as well as the deterioration of its central business/commercial area; the latter may not be able to compete with the newer outlying commercial establishments. These results are clearly contrary to basic FmHA missions. In addition, wasteful energy consumption patterns result, particularly from the extended transportation needs fostered by such development. To avoid the occurrence of these undesirable results, projects designed to meet rural community needs (i.e., residential, industrial, commercial, public facilities) will not be approved unless the following conditions are met:

- (1) The project is planned and sited in a manner consistent with the land use policies of this memorandum and the Secretary's Memorandum;
- (2) There is clear evidence of alternatives having been carefully considered, and no feasible alternatives having less community disruption or adverse socio-economic impacts being rejected;
- (3) The project conforms to a comprehensive and enforceable plan to guide growth which reflects a strategy for protecting natural resources including important agricultural lands; and
- (4) The project will encourage long term economically viable public investment through development patterns which ensure:
 - (a) compact community development,
 - (b) A range of moderate to high residential densities appropriate to local and regional needs,
 - (c) development contiguous with existing settlement patterns,
 - (d) infilling of development, and
 - (e) rehabilitation and renovation of existing structures, systems, and neighborhoods whenever possible.

These criteria should not be construed as advocating excessive densities, congestion, or loss of open space amenities within rural communities. Desirable living conditions can be obtained under these objectives along with economic and social benefits for the community and the surrounding farm operations. Additionally, these conditions should not be construed as requiring localities

to develop plans which contain them or do so amend existing plans. Such action is strongly encouraged, however. In any instance in which these planning criteria do not exist within the project area, project reviews will not be postponed until the criteria are adopted. Rather, projects shall be reviewed and funding decisions made in light of a project's consistency with the contents of this memorandum (excluding item (3) in the paragraph immediately above, which would not be applicable).

2. Protection of Endangered Species: Habitats

FmHA shall not authorize, fund, or carry out actions that will result in (1) jeopardizing the continued existence of plant and wildlife species listed by the Secretary of Interior as Endangered and Threatened; or (2) the destruction or adverse modification of the habitats of listed species when such habitats have been determined critical to the species' existence by the Secretary of Interior.

3. Protection of Wild and Scenic Rivers

FmHA shall not provide financial assistance or plan approval for any water resource projects, housing construction, community facilities, industrial/commercial development, or farm assistance projects which would have a direct and adverse effect on the values for which a river has been either included in the National Wild and Scenic Rivers System or is designated for potential addition.

4. Protection of Historic and Cultural Properties

In the completion of environmental impact analyses for applications, FmHA shall identify important cultural resources to be impacted and make provisions for their recovery, preservation, or protection. Consultations will be undertaken with State Historic Preservation Officers and the Advisory Council on Historic Preservation, through the implementation of Instruction 1901-F, in order to determine the most appropriate course of action for protecting the resources or mitigating potential adverse impacts to them.

5. Reuse of the Built Environment

FmHA supports the rehabilitation, adaptive reuse, and renovation of existing structures, systems, and neighborhoods where consistent with statutory requirements. These alternatives will be encouraged rather than new construction whenever there is a basis for cost savings, energy conservation, community or neighborhood cohesion, historic preservation, or resource conservation. When cost savings are not apparent, reuse will be encouraged when these other benefits outweigh the additional cost.

6. Protection of Scenic Resources

FmHA shall advocate the conservation of natural and manmade scenic resources in order to protect and enhance the visual quality of the rural landscape.

7. Interagency Involvement

On a broader scale, FmHA shall, in coordination with other USDA agencies, advocate the retention of important farmlands and forestland, prime rangeland, wetlands and floodplains or other land resources designated important by state or local governments whenever conversions are (1) caused or encouraged by actions or programs of a federal agency, (2) licensed by or require approval by a federal agency, or (3) inconsistent with local or state government plans.

FmHA shall also assist local and state governments, planning and development organizations or agencies, citizens groups, and individual landholders in identifying and defining their growth development and environmental needs, selecting and choosing among alternatives to meet these needs and implementing projects or programs to satisfy those needs.

8. Implementation of Policy

1. Land Use Policy

The State Director shall develop a land use policy. The policy shall be consistent with and reflect the objectives and policies contained in this memorandum. At the same time, however, it must be tailored to take into account important State, regional, and local land use objectives.

The State Director shall complete the land use policy within twelve months from the effective date of this memorandum. The policy shall be prepared in draft form and be provided to appropriate state agencies state and regional clearinghouses, as well as interested localities, groups, and citizens for review and comment. Also, at least one public information meeting will be held on the draft. Upon completion of this public review, the draft will be revised as necessary in light of the comments received and provided as a final draft to the Administrator for review and approval. Any concerns and comments of the Administrator will be addressed, and the policy statement completed. The land use policy shall then become part of the State's Rural Development Management Plan.

The land use policy needs to be developed in full recognition of its role as an Agency planning tool and with sensitivity to the need for consistency between it and the elements of the Management Plan. The basic goal of this policy then is to establish a mechanism which focuses the Agency's statewide investment strategies in an internally consistent manner which is likewise consistent with the land use objectives of this memorandum. The adequacy of the land use policy and Management Plan will be judged on its ability to meet this goal.

Once the Administrator approves the land use policy, it will become effective approximately four months from that date. This interim period shall be used to inform local and state agencies, localities, organizations, and interested citizens of the content of the policy. In this manner, those parties intending to seek FmHA assistance or to coordinate FmHA assistance programs with theirs will be able to gain for their planning needs an understanding of our investment

strategies. The number of requests for financial assistance from these parties which are inconsistent with FmHA land use objectives should, thereby, be substantially reduced.

Completed land use policies shall be reviewed annually and updated by the State Director to reflect newly identified geographical areas of concern or policy revisions at the national, state, regional or local level. They will also be revised, as necessary, through appropriate guidance from the Administrator. Annual revisions will be completed so that they are available prior to the development of new Management Plans. These revisions shall be transmitted to the Administrator and shall be considered approved if either no comments are raised by the Administrator within 30 days of the State Director's transmittal letter or the Administrator specifically approves them before the 30 days expire.

The foundation for the land use policy is the identification of the types of land uses or environmental factors deserving attention and their geographical location within the state. An inventory shall be developed, therefore, of the important land uses within the state. This inventory will be accomplished by assembling existing data and information, and at a minimum shall consist of documents, listings, maps, or graphic materials describing the location of the following land uses and environmental factors:

- a. National Register of Historic Places to include monthly supplements, as published by the Department of Interior (DOI)
- b. Rivers designated as part of the Wild and Scenic Rivers System and rivers under study for inclusion in the System, as published by DOI
- c. Prime and unique farmlands
- d. Prime rangelands
- e. Prime forestlands
- f. Wetland inventory
- g. Floodplain inventory
- h. Endangered Species and Critical Habitats as designated by DOI
- i. Sole source aquifer recharge areas as designated by EPA
- j. Air Quality Control Regions as designated by EPA
- k. State inventories or planning documents identifying important land uses, particularly those not covered by the above items, such as wildlife refuges, important habitats, and areas of high water quality, or scenic or recreational value
- l. Agricultural districts or other similar zoning classifications for agricultural lands protection
- m. Coastal Zone Management Areas

for assisting State Offices in obtaining listing and inventories of resources protected by federal statutes and regulations. The State Director will have responsibility for assembling documents on state level resources.

Development of the inventory will require consultation and assistance from a variety of agencies and experts. This consultation should begin with Department agencies and be accomplished through the State Land Use Committee and Rural Development Committee. The focus of these discussions should be to determine the land classification data that has already been compiled and that which is underway either by USDA agencies or their counterparts at the state level. The Memorandum of Agreement that was executed last May between the Soil Conservation Service (SCS) and FmHA should be utilized as the basis in seeking SCS's assistance in this effort.

District contacts should then be made with state agencies, in particular with the office of state planning, to determine the availability of state inventories and state land use policies and priorities. Similar discussions should be held with substate regional planning agencies and clearinghouses, with assistance being provided in this effort by District Directors. County Supervisors shall be responsible for being familiar with and for providing to the State Office similar inventories, land use policies or protective requirements developed by the local government agencies within the Supervisor's territorial jurisdiction.

Another important element of the land use policy shall be the examination of any major environmental impacts on the state or a substate area resulting from the cumulative effects of FmHA assisted actions over the last several years. In this examination, particular emphasis should be given to the cumulative impacts of water resource projects such as irrigation systems. This should be done in consultation with experts within the appropriate state agencies and the U.S. Geological Survey. The housing programs should also be given a particular emphasis with respect to their cumulative impacts. More detailed guidance on the accomplishment of this cumulative impact section of the land use policy, as well as the overall content of the land use policy, shall be provided by the National Office Environmental and Technology Staff.

In preparing the state's land use policy and in assembling inventories of critical resources, Agency staff should not lose sight of the basic purposes of this effort. The development of lengthy and complex policies and the amassing of huge inventories is not our goal. In the end, the material must be usable and serve as a tool for better decision making. The basic purposes of this policy and inventory, then, are to provide a basis for developing statewide investment strategies that (1) do not conflict with federal, state, and local mandates to preserve and protect important land and environmental resources, (2) that do not create short or long term development pressures which would lead to the conversion of these resources, and (3) which effectively support and enhance federal, state, and local plans to preserve these resources.

2. Reuse of the Built Environment

All applicable program regulations shall be amended to reflect our policy for the reuse of the built environment. The amendments shall also remove, where there are no overriding statutory limitations, any existing impediments

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FmHA position that reuse will be an approvable alternative whenever it meets the applicant's basic need and results in a cost savings. In those instances in which there is not a cost savings, the additional cost of reuse shall be measured against any potential benefits derived from resource conservation, historic preservation, community or neighborhood cohesion, and energy conservation. If, in the judgment of the approving official, the additional cost is reasonable in light of these benefits to be derived, reuse will be the preferred alternative. The benefits of reuse will be given particularly great weight in the case of historic properties.

3. Interagency Initiatives

National Office staff and State Directors shall inform their counterparts in federal and state agencies of the contents of this FmHA land use policy as well as the State Office policies. When commenting on proposed federal actions subject to environmental impact statements, commentors will focus on the consistency of these actions with our national and appropriate state land use policy. A similar focus or element shall be addressed in the Agency's review of the Environmental Protection Agency's 201 Wastewater Management Plans.

C. Effect on Review of Individual Projects

Although a 12-month period has been established for the completion of a land use policy, nothing in this memorandum is to be construed as curtailing the Secretary's Memorandum with respect to individual project reviews. Each approving official shall, prior to the approval of a project, determine and document that the project conforms to the Secretary's Memorandum. As indicated in the Supplement to the Memorandum, Executive Order 11988 shall be implemented by utilizing, to the extent practicable, the decision making process contained in Part II, Floodplain Management Guidelines for Implementing Executive Order 11988 (43 FR 6030, dated February 10, 1978). If there are any questions with respect to implementing these project-related requirements, please contact the Environmental and Technology Staff. That staff shall also be responsible for assisting you in initiating the development of your land use policies.

All State Directors shall share this memorandum with State, District and County Office Staff. State Directors shall also be responsible for providing implementation guidance to this staff. The State Office land use policy should likewise be developed with as much participation as possible from District and County Office staff.

GORDON CAVANAUGH
Administrator

WASHINGTON, D. C. 20250

October 30, 1978

SECRETARY'S MEMORANDUM NO. 1827, REVISED

Statement on Land Use Policy

1. **PURPOSE.** This memorandum establishes a departmental policy to promote attainment of land use objectives that are responsive to the needs of the people. This policy is supportive of the constitutional responsibilities of State and local governments for making and implementing public policy regarding land use. This policy is designed to contribute to improved social and economic well-being and to protect the quality of the environment. In formulating and implementing this policy, it is the intent of the Department to (a) assist local and State governments and individual landholders in defining and meeting needs for growth and development; (b) protect the natural environment; and (c) assure adequate supplies of high-quality food, fiber, wood, and water.

The policy is supportive of the President's Urban Policy, Executive Order 11990, Protection of Wetlands, and Executive Order 11988, Floodplain Management, and is consistent with responsibilities assigned the Secretary under the provisions of 7 U.S.C. 1010 and 7 U.S.C. 2204.

2. **BACKGROUND.** Environmental, economic, and social needs and related land use decisions are matters of concern to the Department of Agriculture. Decisions concerning land use arise from needs to maintain and stimulate economic development, maintain and enhance agricultural, rangeland, and forest production capabilities; provide or improve community services, facilities, and living space; to preserve the natural environment and associated wildlife and recreational values; and to assure adequate supplies of high-quality water. These needs are highly interdependent and often competitive for the limited supply of available and suitable land. Responsible levels of Government must encourage and facilitate the use of our Nation's land resources with wisdom and foresight.

The Department of Agriculture has numerous programs, and makes decisions, that affect the use and availability of land in public and private ownership. To help carry out these programs, the Department has established a program delivery capability at the local level and cooperative arrangements with State and local governments. The

Department has the organizational structure, leadership capability, and the professional and technical skills essential to advise and assist local and State governments and private landholders in matters dealing with the Nation's land resources. In accordance with the authority contained in 7 U.S.C. 1010 and 7 U.S.C. 2204 and consistent with 7 C.F.R. 2.19(f), the Department sets forth this statement of policy on land use. This statement reflects the Department's concern with the serious challenges the Nation faces in retaining an adequate natural resource base and in meeting environmental, social, and economic needs.

3. POLICY. The Department will:

- A. Continue to recognize and respect the rights and responsibilities of landholders in making private land use decisions, and the rights and responsibilities of State and local governments in developing public policies regarding non-Federal land use.
- B. Implement this policy in the administration of its public lands consistent with legislative authorities controlling their use. They will be administered in such manner as to demonstrate leadership in meeting short and long-term needs for growth and development; to protect the natural environment; and to assure adequate supplies of food, fiber, wood, and water.
- C. Manage USDA-administered lands with a sensitivity to the effect which their management will have on adjacent private and public land. Whenever logical, the management of these lands should be coordinated with the management of adjacent private and other public lands.
- D. Make decisions and manage its land use-related programs to contribute to the Nation's short- and long-range needs for protecting the natural environment; assuring adequate supplies of food, fiber, wood, and water; and providing for economic growth and development, energy and other facilities and services, and living space in our communities.
- E. Assist local and State governments, planning and development organizations or agencies, citizens' groups, and individual landholders in identifying and defining their growth, development, and environmental needs; selecting and choosing among alternatives to meet those needs; and implementing projects or programs to satisfy those needs.
- F. Advocate the retention of Important Farmlands and Forestlands, Prime Rangeland, Wetlands, or other lands designated by State or local governments whenever proposed conversions are: (1) caused or encouraged by actions or programs of a Federal agency; (2) licensed by or require approval by a Federal agency; or (3) inconsistent with local or State government plans. Provisions will be sought to assure that such lands are not

interests override the importance of preservation or otherwise outweigh the environmental benefits derived from their protection. In addition, the preservation of farmland in general provides the benefits of open space, protection of scenery, wildlife habitat and, in some cases, recreation opportunities, and controls on urban sprawl.

- G. Advocate actions that reduce the risk of flood loss, minimize impacts of floods on human safety, health, welfare, and restore and preserve the natural and beneficial functions and values of flood plains.
 - H. Advocate and assist in the reclamation of abandoned surface-mined lands and in planning for the extraction of coal and other non-renewable resources in such manner as to facilitate restoration that will reestablish the prior productivity of the land, as mining is completed in defined areas or sites.
 - I. Advocate the protection of threatened and endangered animal and plant species and their habitats, designated archaeological, historic, and cultural sites, and designated ecosystems.
 - J. Advocate the conservation of natural and man-made scenic resources, improve the technical ability of agencies to identify and evaluate scenic resources, and assure that its agencies protect and enhance the visual quality of the landscape.
4. IMPLEMENTATION.

- A. Each agency of the Department having programs or actions that may cause or encourage irreversible conversions of Important Farmlands and Forestlands, Prime Rangeland, and Wetlands, as defined in the Appendix, or that may cause or encourage encroachments on flood plains, will review such programs or actions and related administrative rules, regulations, bulletins, and practices. Within one year these agencies will make such changes as are necessary to bring agency programs or actions into compliance with the provisions of this Memorandum.

Agencies will assure that their actions, investments, and programs on non-Federal lands are consistent with State and local land use plans and programs to the extent practicable.

In carrying out the above, agencies will:

- (1) cooperate to establish a coordinated land use data base and coordinated data collection systems for use within the Department and by the Federal, State, and local governments;

- (2) attempt to integrate departmental, and State and local land use policies and programs;
 - (3) identify and minimize to the extent practicable adverse environmental, economic, and social effects of agency projects and programs;
 - (4) provide landholders and other concerned people information about the alternatives to, and the associated environmental, social, and economic implications of proposed actions;
 - (5) refrain from converting or enabling others to irreversibly convert these lands or encroaching or enabling other encroachments on flood plains unless there are no practicable alternatives.
- B. The Department will intercede, consistent with the policy contained in this Memorandum, in decisionmaking by other Federal agencies where conversions of Important Farmlands and Forestlands, Prime Rangeland, and Wetlands, are caused or enabled by an agency of the Federal Government, or where conversions require Federal licensing or approval. Intercession will be through participation in the planning of projects when invited and through review and comment on draft environmental impact statements or proposals for actions of Federal agencies consistent with authorized administrative review procedures for Federal or Federally assisted actions.
- C. The Department will encourage State and local governments and individual landholders to retain Important Farmlands and Forestlands, Prime Rangeland, and Wetlands, and avoid encroachment on flood plains.

The Department will:

- (1) generate and disseminate information and provide organizational, leadership, planning, and technical assistance in the application of knowledge useful to local or State officials, groups, or individual landholders in understanding the social, economic, and environmental implications of converting such lands;
- (2) provide assistance to State, area-wide, and local planning and development groups, citizens groups, and individual landholders in evaluating alternative uses for land. Evaluations will consider soil suitability based on physical and chemical characteristics, site (location and adjacent uses), and other environmental, economic, and social factors;
- (3) cooperate with others in defining, inventorying, evaluating, and publishing descriptions of the Nation's lands, including

wetlands and flood plains, consistent with legislative and administrative authorities;

(4) provide decisionmakers and the general public with information on the kind, extent, location, ownership, and current status of the Nation's lands;

(5) conduct multidisciplinary land use research that is responsive to identified State, local, and national needs;

(6) conduct educational programs on land use and land use research findings;

(7) encourage and facilitate public participation in land use planning and decisionmaking;

(8) cooperate with local, State and other Federal agencies in locating and evaluating sites for:

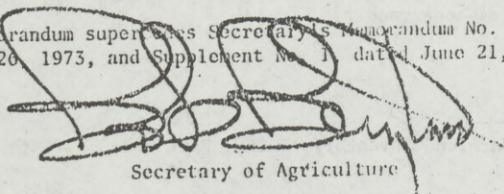
- a. extracting minerals and nonrenewable energy resources and the reclamation of surface mined lands;
- b. energy-producing facilities;
- c. economic growth and development;
- d. facilities and services in local communities;

to limit adverse environmental impacts of these activities or to find alternatives to the conversion of Important Farmlands and Forestlands, Prime Rangeland, and Wetlands;

(9) cooperate with area-wide and State clearinghouses designated under the provisions of OMB Circular A-95 in the review of Federally aided projects with potential impacts on Important Farmlands and Forestlands, Prime Rangeland, and Wetlands.

- D. The USDA Land Use Committee, created under Secretary's Memorandum No. 1807, Revised, dated December 14, 1977, will provide Department-wide leadership for the implementation of this policy statement. The Committee will encourage and monitor USDA agency responses and coordinate with other Federal agencies to carry out the provisions of this Memorandum. The Committee will advise the Secretary annually as to progress in the implementation of this policy.

This Memorandum supersedes Secretary's Memorandum No. 1827, dated October 20, 1973, and Supplement No. 1, dated June 21, 1976.



Secretary of Agriculture

Attachment

DEFINITIONS

The following definitions apply to the provisions of Secretary's Memorandum No. 1827, Revised.

IMPORTANT FARMLANDS ^{1/}Prime farmlands

Prime farmland is land that has the best combination of physical and chemical characteristics for producing food, feed, forage, fiber, and oilseed crops, and is also available for these (the land could be cropland, pastureland, rangeland, forest land, or other land, but not urban built-up land or water).

In addition to the criteria above, for purposes of this policy statement, site (location and adjacent uses) and other economic and social factors will be given due consideration.

Unique farmland

Unique farmland is land other than prime farmland that is used for the production of specific high value food and fiber crops. It has the special combination of soil quality, location, growing season, and moisture supply needed to economically produce sustained high quality and/or high yields of specific crops when treated and managed according to acceptable farming methods. Examples of such crops are citrus, tree nuts, olives, cranberries, fruit, and vegetables.

Additional farmland of statewide importance

This is land, in addition to prime and unique farmlands, that is of statewide importance for the production of food, feed, fiber, forage, and oilseed crops. Criteria for defining and delineating this land are to be determined by the appropriate State agency or agencies.

Additional farmland of local importance

In some local areas, there is concern for certain additional farmlands for the production of food, feed, fiber, forage, and oilseed crops, even though these lands are not identified as having national or statewide importance. Where appropriate, these lands are to be identified by the local agency or agencies concerned.

^{1/} USDA's Important Farmland Inventory, 7 CFR, Part 657.5

PRIME FORESTLANDS ^{2/}

Because of the multiple-use of forested lands, several categories, i.e., timber, wildlife, and recreation may be developed. For purposes of this Memorandum only, the following timberland definitions will apply.

Prime timberland

Prime timberland is land that has soil capable of growing wood at the rate of 85-cubic feet or more/acre/year culmination of mean annual increment (site 3 or better) in natural stands and is not in urban or built-up land uses or water. Generally speaking, this is land currently in forest, but does not exclude qualifying lands that could realistically be returned to forest.

Unique timberland

Unique timberlands are lands which do not qualify as prime timberland on the basis of producing less than 85-cubic feet/acre/year, but are growing sustained yields of specific high value species or species capable of producing specialized wood products under a silvicultural system that maintains soil productivity and protects water quality.

Timberland of Statewide importance

This is land, in addition to prime and unique timberlands, that is of Statewide importance for the growing of wood. Criteria for defining and delineating these lands to be determined by State forestry planning committees or appropriate State organizations.

Timberland of local importance

In some local areas, there is concern for certain additional forest lands for the growing of wood even though these lands are not identified as having national or Statewide importance. Where appropriate, these lands are to be identified by a local agency or agencies concerned.

PRIME RANGELAND ^{3/}

Prime rangeland is rangeland which because of its soil, climate, topography, vegetation, and location has the highest quality or value for grazing animals. The (potential) natural vegetation is palatable, nutritious, and available to the kinds of herbivores common to the area.

^{2/} Prime Forest Land Definition and Criteria, USFS, May 26, 1977

^{3/} Draft USDA Definitions (for intra-departmental use only).

Because of the kind, quality, or seasonal characteristics of the forage produced on it, prime rangeland makes a significant contribution to the range livestock industry of the area and exerts a profound influence on well-being of local communities. Prudent grazing can be accomplished without significant degradation of the environment.

WETLANDS ^{4/}

Wetlands means those areas that are inundated by surface or ground water with a frequency sufficient to support and under normal circumstances does or would support a prevalence of vegetable or aquatic life that requires saturated or seasonally saturated soil conditions for growth and reproduction. Wetlands generally include swamps, marshes, bogs, and similar areas such as sloughs, potholes, wet meadows, river overflows, mudflats, and natural ponds.

Other farm, forest, range, or wetlands designated for protection by State or local governments.

Those lands, defined and identified by State or local jurisdictions or regional governing bodies which are of substantial importance to them. The importance might stem from the lands siting, economic, environmental, open space, or other values.

OTHER TERMS

Flood plains ^{5/}

The term "flood plain" shall mean the lowland and relatively flat areas adjoining inland and coastal waters including floodprone areas of offshore islands, including at a minimum, that area subject to a one-percent or greater chance of flooding in any given year.

Food, fiber, and wood

Food, fiber, and wood are the production of food, feed, forage, fiber, oilseed, ornamental plant materials, and wood for all purposes, including seed production and planting stock.

^{4/} Executive Order 11990, Protection of Wetlands, May 24, 1977

^{5/} Executive Order 11988, Floodplain Management, May 24, 1977

OFFICE OF THE SECRETARY
WASHINGTON, D. C. 20250

October 30, 1978

SECRETARY'S MEMORANDUM NO. 1827, REVISED
SUPPLEMENT NO. 1

Implementation of Executive Orders
11988, Flood Plain Management and
11990, Protection of Wetlands

BACKGROUND

Two Executive Orders were issued in May of 1977 as important components of the President's message on the environment. These Orders require all executive agencies to avoid disrupting wetlands or flood plains wherever there are practicable alternatives in delivering their programs and to minimize any environmental harm that might be caused by Federal actions where no practicable alternatives exist. The Orders require executive agencies to establish procedures for compliance. Specifically, executive agencies are required to issue or amend program regulations and procedures and to incorporate the provisions of the Executive Orders into agency planning and decisionmaking. Executive agencies are required to assure that consideration for wetlands and flood plains will be part of existing programs and will not cause unnecessary duplication or delay in government operations.

Scope of USDA Programs Covered

Land use-related programs of the following Administrations and Services are subject to the Orders' directives: Soil Conservation Service; Science and Education Administration; Rural Electrification Administration; Forest Service; Farmers Home Administration; Agricultural Stabilization and Conservation Service; and the Economics, Statistics, and Cooperatives Services.

Directives

1. The Soil Conservation Service, the Agricultural Stabilization and Conservation Service, the Forest Service, the Rural Electrification Administration, and the Farmers Home Administration will identify and review, and make necessary changes in their respective regulations and rules for all programs that may cause conversions of wetlands or which might enable others to convert wetlands to alternative uses, or that may cause or enable others to cause the construction of encroachments on flood plains. Such changes as necessary to comply with Executive Orders 11988 and 11990 shall be made by November 1, 1978.

2. Those services and administrations listed above, together with the Science and Education Administration, and the Economics, Statistics, and Cooperatives Service will identify and review and make necessary changes in those programs that may indirectly affect flood plains or wetlands by influencing decisions made by local and State government officials, planning and development organizations or agencies, or individual firms and landholders. In conducting these programs, increased attention will be given to:

A. Generating and disseminating knowledge and providing technical assistance in the application of knowledge that may be useful to local and State government officials, planning and development groups or agencies, or individual firms and landholders in understanding the natural and beneficial functions and values of wetlands and flood plains and in preserving and utilizing such lands.

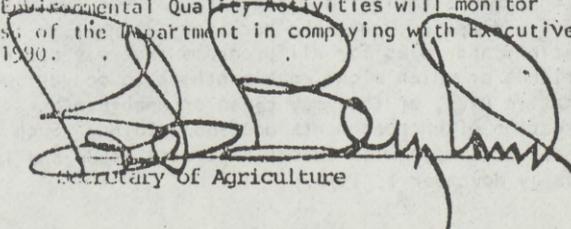
B. Assisting State and local governing officials, planning and development groups or agencies, and individual firms and landholders to identify and study the feasibility of, and to implement, alternatives to converting or encroaching on flood plains in meeting their growth and development needs.

3. All affected services and administrations will utilize the systematic, interdisciplinary approach for the identification of environmental impacts of all actions on or affecting wetlands as contained in the National Environmental Protection Act of 1969, Section 102(2)(c). To the extent practicable, the decisionmaking process contained in Part II, Floodplain Management Guidelines for Implementing Executive Order 11988 (43 FR 6030, dated February 10, 1978) will be utilized.

4. All affected services and administrations will identify, define, specify, and propose remedies for any legal, legislative, or other constraints that limit the agency's capacity to comply fully with the provisions of these Executive Orders.

5. The Department of Agriculture's Land Use Committee, created under the provisions of Secretary's Memorandum No. 1807, Revised, will provide interagency leadership for bringing the Department into compliance with the spirit and intent of Executive Orders 11988 and 11990.

6. The Office of Environmental Quality Activities will monitor actions and progress of the Department in complying with Executive Orders 11988 and 11990.


Secretary of Agriculture

PRESS RELEASE

For further information contact:
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Tel Area Code 515 - 284-4210



Agricultural Stabilization and Conservation Service
United States Department of Agriculture
Room 937 Federal Building, Des Moines, Iowa 50309

RELEASE DATE: IMMEDIATE

300-SW

USDA-ASCS DROUGHT REPORT

A drought report prepared weekly by the Iowa State ASCS Office projects a substantial reduction in corn and soybean yields. Ken Hatcher, State Executive Director, said reduction in corn yields of from 5% to 50% is possible. Soybean reductions ran from 5% to 30%. The yield reduction estimates were projected by the local county ASCS offices. The 36 counties surveyed are in the southwest, west central and northwest parts of the state. Continued hot weather could make next week's survey show even greater reductions in projected yields.

The condition of pasture and hayland acreage in those counties also are very serious. In some counties 80% to 100% of the pastures are affected and second cutting hayland showed 25% to 50% reductions in yield.

Farmers in the state can get assistance from their ASCS offices under the following programs:

Emergency Livestock Feed Program. ASCS cost-shares with farmers on the purchase of feed for eligible livestock. ASC county committees are authorized to initiate the program when they determine that disaster conditions exist.

Emergency Conservation Measures Program. County ASC committees are authorized to request cost-share programs for farmers and ranchers to solve new conservation problems created on farmland by a natural disaster.

Adjustments in Regular Programs. Some regular programs include specific procedures for natural disaster aid, such as payments to wheat and feed grain growers when yields are 40% or more below normal.

Hatcher stated spotty rainfall has brought some relief to various parts of the state. The counties most seriously affected received very little relief.

Maps of projected reductions in yield for hay and pasture, corn and soybeans, by county are attached.

Mr. HARKIN. Thank you very much.

So what you are saying is that Farmers Home will be very actively involved in the whole area of conservation in terms of formulating policy and carrying it out?

Mr. LUDINGTON. Yes.

Mr. JONES of Tennessee. Thank you very much. We appreciate your testimony.

Our next witness is Steve Stover, Council Bluffs, Iowa, Area Conservationist, Soil Conservation Service, USDA.

Mr. HARKIN. Steve, welcome to the subcommittee. Please proceed as you desire.

**STATEMENT OF STEVE STOVER, COUNCIL BLUFFS, IOWA,
AREA CONSERVATIONIST, SOIL CONSERVATION SERVICE, U.S.
DEPARTMENT OF AGRICULTURE**

Mr. STOVER. The following statement is prepared for the field hearing, Conservation and Credit Subcommittee, September 27, 1980, at Crescent, Iowa for Mr. William J. Brune, SCS State Conservationist for Iowa, who is unable to be here.

Erosion in western Iowa is a severe environmental problem. The Loess soils found here are very susceptible to water erosion. Severe sheet, rill, and gully erosion occurs each year. The steep slopes and row crop production allows erosion to run rampant, if proper conservation practices are not applied. Some of the highest soil losses in Iowa are found in the western part of the State. Unless the area receives a major increase in technical and financial assistance to land users, the rates of soil erosion will continue. The current program levels have not allowed for the conservation needs of the area to be fully met.

The Special Area Soil Conservation Act of 1980, H.R. 6732, sponsored by Congressmen Jones, Foley, Madigan, and Harkin could help significantly reduce erosion in western Iowa if enacted and funded. The bill identifies 16 counties in western Iowa as having critical erosion problems.

This area covers 6,030,000 acres in the Loess Hills; 75 percent of the area is cropland. It is dominated by steep slopes, common to this part of Iowa. Approximately 75 percent of the production is corn and soybeans. Both crops are conducive to water erosion without the application of conservation practices. This degrades the environment, reduces the productive capability of the area, and impairs water quality.

Soil losses of 30 to 35 tons per acre per year are common. Maximum soil losses considered to be acceptable by the Soil Conservation Districts are 5 tons per acre per year. We have found that 2.4 million acres of cropland in the area has erosion above the acceptable limits. With soil losses of 35 tons per acre per year, a total of 84 million tons of soil are lost annually. If this were loaded into dump trucks, it would require 7.6 million trucks to haul away the soil.

During this past summer, some fields in Cass County had soil losses of 150 tons per acre. Not only is the cropland productivity reduced, but county road ditches were filled with sediment. Water in the streams and lakes were polluted with sediment and chemicals. Wildlife habitat was damaged as well.

Resource conservation systems can be effective in controlling water erosion. Such a system might include crop rotations, conservation tillage, contour farming, terracing, and other conservation practices selected by the landowner.

Conservation tillage is needed on 75 percent of the cropland acres, in the Iowa portion of this special areas bill. Presently 20 percent of the needed amount is being applied. Over 2.5 million acres of land needs residue left on the soil surface to retard water erosion and to conserve moisture. Significant advances are being noted in the application of conservation and especially no-till cropping systems.

Contour farming is being practiced on 50 percent of the cropland. This practice significantly reduces soil losses and has been applied without cost share assistance.

Thirty-five percent of the cropland in the 16-county area is adequately treated. I think that needs to be emphasized. Thirty-five percent have been in the program over the years. The 65 percent remaining will require conservation treatment on 2.9 million acres. Terracing is the principal structural conservation practice required. Over 38,000 miles of terraces have been applied. The total need is estimated to be over 124,000 miles. To complete the remaining 86,000 miles in 20 years, 4,300 miles per year will need to be constructed. I would like to leave the prepared statement for a minute. As Mr. Stille indicated, Iowa 2,000 has been enacted, and this is the reason for selecting the 20-year treatment. Presently, only 950 miles are being applied. This is 22 percent of that needed annually.

Landowners are willing to terrace. However, the lack of adequate cost share funding has prevented them from completing needed terraces on their land. Cost sharing has been effectively utilized through the agriculture conservation program and the State of Iowa. A recently approved rural clean water project in Shelby County has had instant success. Over one-fourth of the landowners in the Prairie Rose State Lake Project have signed long-term contracts, on one-fourth of the watershed area in less than 1 month.

Counties have responded to the need for accelerated erosion control. Pottawattamie County has provided \$25,000 for the hiring of technicians, to provide technical assistance to landowners. Other counties in Iowa have provided cost-share funding for application of needed conservation practices.

The Loess Hills area is dissected by gullies. Over 10,300 erosion control structures are needed to control the advancement of gullies. The sloughing off of gully banks continually eats into the productive cropland. Erosion control structures must be installed to permit stabilization of the gullies. The structures are expensive, due to the depth of the gullies. It is not uncommon for one to cost \$25,000.

Other conservation practices needed in the area are grassed waterways, critical area seeding, pasture planting, wildlife habitat management, and farm ponds. These are needed as part of a complete resource conservation system on the farm.

In this 16-county area both technical and financial assistance are fully utilized under present conservation programs.

To meet the terracing needs in 20 years, cost share funding of \$36 million per year will be required. Likewise, funding for erosion control structures will require \$13 million. These practices are the most expensive of those needed to conserve the resources of the area.

As additional cost share funding is available, increases in technical assistance to landowners will be required. Presently, only 20 percent of the needed technical assistance is available to complete the Iowa conservation program in 20 years.

Eight of the sixteen Iowa counties proposed under H.R. 6732 are organized as a Resource Conservation and Development (R.C.& D.) project. Application has been made to the Secretary of Agriculture for authorization of R.C.& D. program assistance. The Golden Hills R.C. & D. project would assist in developing, conserving and using the natural resources of the area and improving the economy and social services. Enactment of H.R. 6732 and authorization of the Golden Hills R.C. & D. project would accelerate the conservation treatment of problems in western Iowa.

I have also been asked to discuss the problem of summer construction. I think it is important to realize that in Iowa, we have two prime construction seasons, spring and fall. There has been good acceptance in some counties for using the set-aside program which allows SCS technicians to work with landowners to lay out guidelines that can be used for terracing in the summer months. This set-aside land is then available in the summer for construction of the terraces. Possibly an incentive of cost sharing in excess of the normal 50 percent would help this type of program gain popularity with landowners.

Being a Kansas native until the last couple of years I have been involved in the Great Plains conservation program (GPCP) for about 15 years in that State. I have seen the benefit of the long-term contracts in the GPCP program. In that way the landowner is guaranteed that cost share funding is available for the application of the needed conservation measures on his land. The GPCP has been very favorably accepted and used in the Great Plains States to advance the soil and water conservation program.

In closing, I would like to commend you and your subcommittee for your foresight in promoting this type legislation to protect the valuable resources of this area. Thank you.

Mr. HARKIN. Thank you very much. Hopefully when we finish you will take us on a tour of the North Pigeon area.

Mr. STOVER. Yes.

Mr. HARKIN. We are pretty much on target so we will leave here and go out and take a look at the watershed area.

The next witness is Craighton Knau, Essex Iowa, farm service director, KMA radio. He has been a leader in broadcast news, leadership and agriculture. We are honored to have you here with us today, Craighton.

Mr. KNAU. I am filing a statement for Dwight Joy. He called and asked if I would read his statement before you. Then I would like to take the opportunity to make a few observations of my own.

Mr. HARKIN. You may proceed.

STATEMENT OF DWIGHT JOY, IOWA STATE POLICY ADVISORY COMMISSION, PRESENTED BY CRAIGHTON KNAU, ESSEX, IOWA, FARM SERVICE DIRECTOR, KMA RADIO

Mr. KNAU. Being involved with the Iowa Soybean Association as well as with soybean research at Iowa's land grant college and being a member of the State Policy Advisory Commission, which is the public input arm of Iowa's clean water regulatory control effort, and having recently been a voting delegate to the resolution process of the Iowa Farm Bureau, I find myself in a unique position when it comes to the subject of soil conservation.

The thing that I want to get across at this hearing is that the typical Iowa farmer is fast becoming the scapegoat of everybody's big issue. It seems to me that the average consumer has no appreciation for the fact that he is so well fed for such a small percentage of his income. Our thanks for this is to have the consumer groups point their finger at us and accuse us of ruining the environment in the name of the almighty dollar. I believe the farmer is very much aware of his soil losses but finds few economic alternatives to the situation. At the base of the problem is our Government's policy of consumerism affairs. Even in the U.S. Department of Agriculture we find that consumerism in the form of food stamps, nutritional guidelines, chemical bans, et cetera, seems to be their main reason for functioning. We farmers seem to be trapped into a position of buy retail, sell wholesale, and pay the transportation costs both ways. I think that when a producer of food is kept poor because the other 96 percent of the population has the voting power to set the rules, then his normal response is to try to produce even more. Sometimes this means that if he cannot do it with one commodity, he will switch over and produce whatever shows a better chance of providing an income. In the process, if the topsoil washes away, the pesticides and fertilizers pollute our streams and lakes, or our small farms are consolidated into large tax-sheltered nonresident investments, or our small communities wither away for lack of opportunity, then we suddenly realize what the real price of our Government's cheap raw materials policy really is. Please note that I did not call it the cheap food policy, because most of us realize that food is not cheap as it leaves the grocery store.

Iowa farmers have led the way in the promotion of its products. This effort has been most successful in the area of soybeans and soybean products, and we are making great strides in the area of alternative uses for corn. I personally am treasurer of the Iowa Soybean Promotion Board and I feel that my being involved in the promotion of soybeans to foreign customers is a result of trying to find a way to make my income keep up with my financial needs, especially when I compare my lifestyle with that of my city cousins. In my area of the State, soybeans are becoming a major crop, at least equal to corn and probably far in excess of beef income. Yet much of the tilled land in this area of southern Iowa is not really suited to intensive row cropping. I noticed during the 1970's that a good many of my neighbors eliminated their cow herds as well as their pastures and hayfields. Since then the fences are being rolled up and the barns abandoned. By now you should be able to guess that what I am getting at is that because every time

the cattle producer sees a ray of hope some Government official succumbs to the political pressure of the consumer and pulls the rug out from under the beef producer. Beef production is a long-term investment. I know of no way to expect that a former cow-calf producer who has converted his land to corn-soybean production could be expected to seed his land to grass and invest in a cow herd. Before we legislate anything in the way of soil conservation, albeit through farm programs, let us take time to ask ourselves how we got into this mess. Only then will we begin to understand the close relationship between soil conservation and economics. Surely we can realize that many of the soil types of southern and western Iowa are not suited to row crop farming no matter how much we may be tempted to spend in the effort. Government farm policy must be aimed at those things which result in encouraging the type of farming which conserves the soils as well as providing a decent amount of income to the family farmer. Would not some type of Government support for beef production help draw the poorer soils back into grass production, and if this were successful, would it not also help the producers of other crops by eliminating some of the excess production of those crops?

Thank you.

**STATEMENT OF CRAIGHTON KNAU, ESSEX, IOWA, FARM
SERVICE DIRECTOR, KMA RADIO**

Mr. KNAU. I assure you, my presentation to you today is strictly a personal one, and does not in any way reflect the policy or thinking of the ownership or management of the radio station by which I am employed.

Certainly I echo the statements from Dwight Joy. He is more diplomatic, however. I put it more bluntly—when the profitable market for grass went down the tube, no one stepped forward with any kind of assistance or suggestions. Instead, those who were forced through economic need to turn to other uses of the land were and are subject to criticism.

Today, more than ever, there is a need for more information about the benefits of soil conservation. As a farm reporter, I have recently tried to find information as to what a soil conservation program does to possibly increase the production of a farm, and what period of time is needed to realize the return on the investment in soil conservation practices.

If there are answers to just these two questions, I have yet to find the individuals or organizations with the answers.

Granted, to the conservationist, that approach is maddening. But to the young farm family, or the retired farm couple who lease their half or three-quarters of a section as their retirement income, or the farmer's widow, these are basic questions that need to be answered every time they deal with their financial programs.

Conservationists do not like the exporting of wheat, corn, and soybeans. Aside from the obvious fact that some countries buy these products for their political advantage, there are others who have a real need for our ability to supply them with food. Are we going to let the grass grow tall on idled acres here in our country, or are we going to work toward solving our soil loss problems and be of assistance?

A great number of us here in our country need to recognize that food needs have changed, farming has changed, and we need to change.

A suggestion is to do the things needed in the way of research, education, and information that will prepare soil conservation for the rest of the 1900's and 2000's.

Immediately, here at home, we need to build more enthusiasm on behalf of the farmowner and operator for soil conservation. I doubt that there are many who do not recognize the need. Most farmers realize that without soil they are out of business. They already know it must be preserved.

Simplification of the procedure to get the soil conserving practices on the land could be one step. As it stands now, a farmer has to work with one branch of the Federal agriculture bureau for plans and permission and another to see if there are funds available. In one county in this area, these offices are not even in the same town.

And, we cannot deny there is some competition politically between the organizations with which a farmer has to deal for soil conservation. Right now the farmer needs this just about as badly as he needs a foreman and the \$20,000 bonus economist in Washington.

Why can farmers not be allowed to proceed in putting soil conservation practices on the land in the same manner that homebuilders deal with the Federal Housing Authority? There are some very well qualified and knowledgeable farmers when it comes to soil conservation practices. And do not forget the reliable soil contractors. Why can these people not proceed with periodic checks by the soil conservation staff for assurances that the work is going according to specifications? This would in effect multiply the soil conservation staff and give them more opportunity to work on programs of convincing others to apply soil conserving practices on their land.

With much sincerity I say I hope farmers and landowners will step forward with their approach to conservation, and I hope others will listen and accept their ideas. I have a real gut feeling that there are many who want to actually dictate soil conservation practices on each farm. As you in the U.S. Congress prepare for possible new legislation affecting the agriculture of America, I hope you will proceed with much caution in this particular area.

Mr. HARKIN. You are right, there are always those who want to dictate what ought to be done. Our approach and that of Congressman Jones is to get as wide an input from farmers throughout the United States so what we do is something that comes from the farmers.

Our next witness is Tom McAndrews.

**STATEMENT OF TOM McANDREWS, PRESIDENT, PRODUCTION
CREDIT ASSOCIATION, CLARINDA, IOWA**

Mr. McANDREWS. In the future I would appreciate being ahead of Craighton Knau rather than behind him.

Mr. HARKIN. He is a hard act to follow.

Mr. McANDREWS. I have a prepared statement I would like to read, and if that raises any questions we can have questions later on.

Mr. Chairman and members of the subcommittee, I am Tom McAndrews, president of the Clarinda Production Credit Association headquartered in Clarinda, Iowa. Our association is a farmer-owned, farmer-controlled lending cooperative which is currently providing nearly \$60 million in short and intermediate term loans to 620 farmers in Fremont, Mills, Page, Montgomery, Taylor, and Adams Counties.

I appreciate the opportunity to appear before this subcommittee to discuss the availability of PCA financing for conservation purposes. During the past few years the agriculture picture in southwest Iowa has changed considerably. We have seen much of our grassland that had pastured feeder cattle and stockcow herds converted to intensive row-cropping. This change has been mandated by economics that are beyond the control of our local farmers and probably will not change, therefore making erosion control methods more important in the future.

The vast majority of farmers are very conscious of the value of the land they operate. They realize that it is a nonrenewable resource that once lost can never be replaced. However, the same economics that have forced grassland to intensive cropping also restricts the amount of capital a business can invest in conservation projects and continue to operate. The PCA can spread the cost of this investment over a period of up to 7 years through term loans if there is sufficient profit to retire the debt. We at PCA do participate in many of these projects and have had to lend much more money for these projects during the recent years because of the dramatic increase in construction costs and the Government position of less money or at least not any more money for cost sharing than 5 years ago. The real crisis that we are facing then is the spiraling cost of construction, the cost sharing programs being cut back, and finally, an income level in agriculture that even if farmers borrow the money to complete large projects, the net income necessary to retire the debt within 7 years may put an excessive strain on the business.

An additional concern that we are becoming aware of is the possibility of land use legislation and also the use of conservation funds to meet EPA requirements. Our biggest concern in this area is that some legislation will be passed that will require extensive conservation measures to be taken with little or no financial help for the farmer who is directly affected. The EPA area is already a concern because some of our cost-sharing funds are now being used for projects such as feedlot runoff structures that are necessary but have little effect on reducing soil losses.

To summarize my comments, agriculture net income is not high enough for the farmer to carry the full burden of soil conservation, therefore, governmental cost-sharing programs need to be improved, more to conserve our land than to increase production. We need to be aware that other governmental programs such as EPA requirements are diluting already meager funds which were originally earmarked for conservation. That possible land use legislation certainly needs economic help with it to defray the cost to

farmers who will be most directly affected by its impact. If this type of help is not available, then some type of long-term, low-interest rate loans needs to be investigated. While PCA's can and do make loans for these structures, we are finding that because of this present high cost our limitation of a 7-year term loan can place rather high annual payments on that farmer's business, so a longer term loan is becoming more practical. We can also look at some type of tax incentive to help defray the impact of this type of investment.

I have talked about methods to encourage and help farm operators to participate in conservation programs which are finally dependent on a healthy agriculture economy to meet the bottom line final figure which is profit to make the payments. When this need is realized most farm operators need very little incentive to use good conservation practices to save their soil.

In conclusion, the PCA's are very aware of the problems encountered in financing good conservation practices; we have the funds available to help farm operators finance these projects and usually work very closely with these people from the initial planning stages to completion.

Mr. Chairman, thank you for giving me this opportunity to share some of my thoughts and concerns about soil conservation with you.

Mr. HARKIN. Thank you very much. We appreciate your testimony.

Mr. MCANDREWS. This echoes what we have heard over a period of time. Conservation efforts are becoming very expensive, the money to take care of them in cost sharing programs declining. If we are not going to fund them through cost sharing, then we need to be looking at low-cost loan programs to assist these people.

Mr. HARKIN. Thank you, Tom. We will be finished here shortly, and we will have a general discussion. Again, we are trying to figure out how we will get more money for conservation.

The next witness is Hugh Loudon, Clarinda, Iowa, president, Citizens State Bank.

STATEMENT OF HUGH LOUDON, PRESIDENT, CITIZENS STATE BANK, CLARINDA, IOWA

Mr. LOUDON. I want to correct you a bit. I am a farmer. I work in a bank, but live on the farm, so I feel I am acquainted with the problems of soil conservation. I have practiced this since the first plow terraces I put in, in 1935. Some are still in existence. I took out some this year because they were made for 2-row equipment, which is passé today. I redesigned them into bench terraces.

What I wanted to say, I wanted to approach this problem that we have from a standpoint of the farm owner-operator who participates in the program who has to make a substantial contribution to go along with the cost sharing to accomplish our conservation. We have many young replacement farmers who purchase farms at a high price, carrying a good-size mortgage against them, raising a family, with high operating costs. Regardless of how strongly they feel in favor of conservation, they are unable to have the money to participate in the program as they would like to.

The thought I wanted to leave with you is: Would it not be possible for us to enable the Soil Conservation Commissioners in the local area to pool these needs, issue some type of a revenue obligation with about a 20-year maturity, collateralized by a second loan against the land, so that we would provide the financing he needed for his share of that cost-sharing operation?

The way it stands today with his costs of operating, he has to maximize his income, he has to crop it to the maximum, even though he knows in his own mind he is mining the soil.

I think we would have more participation if we had a method of financing that we could offer him, that the increased yield would pay off that cost over a period of time.

I envision that this is one way of accelerating our participation in the program. It is the thing he wants, because he will be building something for his family in the future. I think that type of an obligation should be tax exempt, a guaranteed investment, so an investor would be interested in investing his money in it. I would like to see the program you are suggesting.

I am familiar with what happened in Page County; that is where I live. Over the last 40 years we have been able to put in about 400 to 500 miles of terraces. The estimate is that we needed 500 miles more. That means it will take 50 years before we get it done, and I do not think we can wait that long.

Gentlemen, soil is a natural resource. Preserving it is just exactly like preserving any natural resource that we have. It can be depleted, it can be lost. When it is gone, it is like our oil, coal, our minerals, or anything else. We are talking about preserving the only natural resource that creates any new wealth in our country. I think it is deserving of all our thought, all our time, and all our interest. I thank you a lot.

Mr. HARKIN. Thank you very much, Hugh.

[The prepared statement of Mr. Loudon follows:]

PREPARED STATEMENT OF HUGH H. LOUDON, CITIZENS STATE BANK, CLARINDA, IOWA

As a farmer, landowner and banker, I want you to give consideration to a part of our Soil Conservation Program which has been overlooked. It is the farmer who wants to participate in the program but who cannot pay the operator's share of the cost of the program. A farmer raising a family who has a sizeable mortgage on a farm and who must pay operating costs has to maximize his income by a continuous cropping program. As a good farmer and operator he recognizes the importance of soil conservation but, under the above circumstances, he has no alternative regardless of the amount of erosion.

I am recommending that the necessary legislation be enacted to enable the elected Soil Conservation Commissioners to issue federal income tax exempt guaranteed obligations to finance the operator's contribution. This would be secured by a lien on the land and repaid over a period of 20 years. In addition, I am recommending that cooperation of local taxing bodies be secured to give him real estate tax abatement for the added value to the land for the same period. The preparation of the necessary papers and the securing of the loan documents could be handled by the Farmers Home Administration in the local area.

The Page County, Iowa record shows that in 45 years 4,446 miles of terraces have been completed, but we need 5,236 miles more which means at this rate it will take 53 years to reach our goal. The nation can't afford to wait until our farmers have the money to pay for their share of the cost. We need to provide a way for them to secure that financing. Our farm land and its loss by erosion is exactly the same as the depletion of any natural resource whether it be oil, coal or mineral. Agriculture is the only source of new wealth in the world. It is entitled to our best planning and the best care we can give it.

Mr. HARKIN. Our next witness is Harold Swanson, Glenwood, Iowa, professor, Agriculture Department, Iowa Western Community College.

STATEMENT OF HAROLD SWANSON, HEAD, AGRICULTURE DEPARTMENT, IOWA WESTERN COMMUNITY COLLEGE, COUNCIL BLUFFS, IOWA

Mr. SWANSON. I appreciate the privilege of being here today. My comments will not be read. I will not be reading from the text, so I guess you will have to keep what I say in mind.

So many good things have been said in this discussion, and it is a real privilege for me to have an opportunity to offer some extra points that have not been mentioned at this point. First of all, to put a little context, I am teaching young farmers to farm every day. That is my job. So, we are dealing with the nuts and bolts operation of what it really takes to become a successful operator in the next few years, but to stay in business for the next 40 years, which hopefully is the time they will be operating.

So, in that context, I will go forward.

First of all I want to reiterate that the basic laws, the conservation laws and their operation, to me is very, very satisfactory. The soil conservation cost sharing and so on, it has been said, you have not heard any criticism of it today, and certainly that indicates a lot of things from all these people here. It is working very fine. It just needs a heck of a lot more money. I was real interested in points that were mentioned, the business of set-aside during the contracting period, and certainly I think that is something which has to be taken into consideration.

We have heard a lot about terraces, but we have not heard what happens between those terraces and what that individual farmer is responsible for as far as doing it. This is my approach insofar as trying to teach.

When I see a soybean farm in the fall, that is ditched in the fall, it is a horrendous thing. It should not be done, but it is done on our hillsides in Iowa. We have beautiful tillage equipment and we have some monstrosities all being sold avidly in the name of soil conservation. Probably the best tool is the chisel plow. Yet the way that plow comes from the machinery dealer's yard, as far as I am concerned, it is a sin against good conservation. You have 12-inch spacings. I have asked many of the officials of large manufacturing organizations why that machine comes out at 12-inch spaces, or give me just one good reason. "The manual tells me so." That is what they tell me.

What we really need is tillage research. Farmers do not know what is good conservation tillage. They have in most cases, they are overtilling, overusing power. We do not need a lot of that. I am not a strong advocate of the buffalo till and some of those. Certainly they are one of the answers. I also farm. We have a farm at the college, and I have my own farm, plus the full-time job of teaching. So I am involved in that fully at the present time.

The thing I have discovered as you will see in my report is that when you start to put the tillage tools to 24, 36, or 48, you are introducing a new dimension to conservation tillage. I happen to operate on 38-inch spacings, I till in the fall, but I till deep and I

am making a series of little terraces every 3 feet that can hold up to 3 inches of water. It has worked. It has been very, very effective. It does not cost the farmer a cent. As a matter of fact, my experience with this system, I kept good records when I had a chance to, and I saved half the fuel in 1 year just from doing that type thing.

In going through the summer of 1977 here, my neighbors had, most of them were in the area of what we call disaster, and I had 86 bushel. It did not work this year. That brings up the next problem. In Crawford, it is in a drought area, we will probably get 25 to 30 bushel of corn, but we will get good beans.

What I am asking, what I am suggesting is tillage research. The farm at Treynor. I include in my report, I have a two-page summary of the report on the water runoff which are very, very striking. From 118-ton-per-acre documented soil loss down to zero on the four operations over a period of 16 years, they are attached to the report there if you would like to take a look at it.

My suggestion for tillage research is to go with cooperative farmers. There is enabling legislation which says we would have a tillage research farm in one place in the United States. I wrote back and forth and said make it two. Frankly I am ready to junk it and let us go with cooperative farmers all over the United States and have them to be not only the experiments working with extension and land grant colleges, let us have that as a local area thing so agriculture teachers and all the other educational units can come in and see what is happening locally and have it over a period of time.

So my suggestion then is to consider a cooperative type of local research, tillage research, throughout the United States, especially in the targeted areas you are talking about.

Mr. HARKIN. Rather than having the institute we have heard talk about?

Mr. SWANSON. Yes. And pay them something. These farmers will be there, will be the disciples. I really should take a poll as to how many know about the research farm at Treynor. I bet there are not two or three of us who know about it. They are putting out fabulous data. If you look at the report, you will see the first few years the loss was tremendous. Then it has tapered off. So it indicates some of the things they are doing are right.

As a last comment to fortify what I am saying. When I am teaching I run into little definitions; one is infiltration. This goes back to the problem we had with the 12-inch spacing with the chisel spacing. You lose capillarity. I asked my kids about capillarity. The prime factor when you explain saltation about wind erosion, a farmer starts doing things—it is a little process that explains when a wind starts to go down the edge of the field and before you get too far, you see puffs of dust and as you get further down, you see bigger and bigger clouds. What happens, every time the wind hits a grain of sand, it pops up, and when it hits again, it pops out 5 or 10 grains, and when they pop out, they pop up 5 or 10. If you have a groove or a cover you stop that thing right off the bat and you do not get it going.

I worked in the State of Washington in the Columbia Basin District. Those people out there do not need lessons on that type of thing. We need that in south central Iowa, yet they go out there

and disc it. If the sand particle falls in one of those grooves, it is dead. It is as simple as that. It is not complicated, but it works. I can talk to 99 percent of the people and they do not have the slightest idea over what I am talking about. I am happy to be representative of the educational needs of the community because I think this is educating the farmer to do what he has to do, his responsibility on that local farm is really something that needs to be done very badly.

I am going to throw out one other thing, and it is alternative crop development. Craighton Knau alluded to that. Maybe he will hate me for my approach, but that is neither here nor there.

The farmer will put a crop on that land if he has a market for it. Iowa Western has been working on a rotational grazing system on the east side of Council Bluffs in the city limits here. We are in our 3d year. We have pure alfalfa, we are grazing 20 head of cows, a couple of heifers, and a bull, right at 20 acres of pasture from the last week in May. We have another couple of weeks of pasture left.

Last year we grossed more on those acres by far in a very beautiful crop year than we ever did on our crop ground. We did it through beef. Yes, rotational grazing is we have this 20 acres divided into 10 paddocks, we have an all-electrified fence. We have depended on an electric fence to keep us out of trouble. Every 4, 5, or 6 days those cattle are knee deep in alfalfa. First time in 3 years, we lost one, but we do need the precautions that are necessary, and you really learn some of the intricacies of beef production, grazing habits and so forth when you see them this close.

I am real disappointed because I have been trying to work with the Iowa Forage Council out of Ames. We had talked earlier this year of putting on a field day. They wanted to go along with it, but when they started to talk to different groups about interest in this thing, nobody could get excited. I talked to these same groups and you cannot get them excited. So you have a real hangup there. What can you do about it? That is education again, it is a long process.

Now when we start talking about encouraging beef production I will make the flat statement, unless beef production moves away from a grain base to forage, it will be in the same problem it has been for the last 5 years. You have to compare with what the pork people have done; they have done beautifully. They have done some things which I think are right. Beef people have some real problems. One of the first things beef people should do is look at this grading system. The first thing they should do is look at their grading system. It was hung up in the court for years and it started to do some of what has to be done.

I offer in evidence some Iowa crop reports which I will discuss a little bit in comments to show you what I really mean by this. You look at hanging beef in a plant and you have what they call a choice 3. According to the latest report dated September 19, this hanging beef, this choice 3, 700- to 900-pound carcass sold for \$107. A choice 4, which means it has already gone way past 3, has taken another 10 cents per pound in cost, and it is hanging on the rail at \$96. In other words, there is an \$8 to \$11 difference between a hanging carcass of 3, which is lean, against a 4, and they are clarified here. The whole thing is how this is so cleverly done by

our meat packers and so on. I have an argument about it. But I have not lost the argument. Here is this old beef cow hanging on the rail for more than the choice 4. But that is right out of the report. It is nothing I am pulling out.

We have to start looking. What I am saying is, if we would first of all get rid of the prime grade completely. We do not need it. Nobody wants it. I talked to our restaurateur, the head of our department of foods at our school, and I asked him about this, and I said what do you do about the prime? He said every time I order choice steaks, they said will you take prime, and that is how they dump it. Until we get this thing done we will not have alternative markets for our beef. I know this is a radical thing insofar as soil conservation, but it is an important point.

In closing, I would like to say, before making your final decisions, you know many of the churches are coming out with stewardship statements. The Catholic Church has come out with one. They are very, very interesting and very, very wrong, and I think you ought to include one of those in your testimony, and maybe I will mail you a copy and you can do that if you wish.

Mr. HARKIN. We have had the National Catholic Rural Life Conference testify.

Mr. SWANSON. Several of the other churches are working on this as well.

Thank you very much. I hope I have offered good suggestions.

Mr. HARKIN. Very good suggestions.

[The prepared statement of Mr. Swanson follows:]

PREPARED STATEMENT OF HAROLD SWANSON, IOWA WESTERN COMMUNITY COLLEGE,
COUNCIL BLUFFS, IOWA

The Southwestern part of Iowa has a unique soil that was blown by the wind off the barren flats of the forming Missouri River bottoms as the last of the great glaciers were melting some 10,000 to 15,000 years ago. They consist of a large percentage of silt, some clay and very fine sands. They are very erodible from water and wind. They are also very productive with good water holding capacity. The land is hilly and many slopes are steep.

When the lands were low in value before the general use of commercial fertilizers and effects of inflation, these steeper slopes were kept in grass haylands or pastures and soil losses were occurring when the hay lands were seeded or in grain.

Pastures were overgrazed and did not offer the resistance to water runoff so large gullies were formed, but sheet erosion did not seriously occur.

We also had thriving grape and orchard operations which were not producing much erosion problems. In recent years, however, the farmers have sold off their dairy and beef herds and plowed up steep pastures and are growing corn and soybeans. Both crops create conditions which can result in enormous soil losses from spring and early summer rains. Erosion losses in excess of 100 tons per acre were common in Pottawattamie and Cass Counties due to heavy rains in May 1980.

However, I have attached a report compiled by the USDA Watershed Experiment Station at Treynor, Iowa (10 miles East of Council Bluffs) which gives an accurate record of these losses by scientific measurement methods for the inclusive years 1964 to 1979. These show a range of 0 to 118.5 tons per acre soil losses.

Yes, we have a very serious problem, primarily from water, but at times in an open winter or dry spring, we also have wind erosion problems.

Suggested Solutions:

As you consider legislative charges for soil conservation development in the U.S., I offer these comments and ideas:

First, the existing soil conservation programs operated by the Federal, State and County are having impact. The development of priorities for cost share on terrace, windbreak, dam and waterway construction, are getting some action, but should be expanded dramatically. These are truly helpful conservation practices.

We have programs for tiling, fertilizing and liming which are capital or operating improvements which should not be included in cost share, or at least at a very low priority and this has been the case in recent years. The cost of soil conservation structures is increasing rapidly. Farmers cannot afford the total cost of making these improvements. If they are to be done, Federal and State help must be continued and increased. It is very discouraging to see conservation funds always slashed in the first round of funding cutbacks.

The state of Iowa is doing some things for conservation that are noteworthy. They have cost share funds for conservation practices. They also have a law which states that every farm in Iowa will have a soil conservation plan made up for it by 1986 (I think). It also has a provision which allows litigation to be started against operators who are obviously causing losses in excess of 5 tons of top soil per year. These bear watching because obviously there will be landmark cases develop in the future.

The first goal then would be legislation that would mandate much heavier federal funding for the development of soil conservation structures on American farms. A parallel attack on the problem must come through the educational process. We have a great gap in the knowledge of the factors involved in these heavy soil losses. The gap consists of misconceptions, fallacies, and myths about the causes, prevention and cures for the problem.

We have a watershed lab at Treynor and its work is not publicized and promoted. I wonder how many residents in this area even know that it exists.

My experience in teaching indicates a great lack of knowledge of what really happens with various tillage operations.

The classic example that I use is to look at comparative data between mold board plowing and chisel plow for soil erosion losses and yield differences.

The data is totally useless because none specifies the shank spacing, depth, kind of shank tip, speed, time of year. The chisel plow has great potential for conservation tillage, but until data is developed to determine the best combination of the above factors for various soils, slopes and crops, it is a very negative factor for soil conservation.

What do I mean by this? My work with the chisel plow for conservation has been very successful. My ground rules say I won't tolerate any shank spacing closer than 24" and preferably 3 or more feet and done in the fall at a high speed at depths of 12-15" on the contour as much as possible. Yes, there is a lot of residue left on the surface so I can pasture the corn stalks all winter, chop the remaining stalks in the spring, apply dry phosphate and potassium and some dry nitrogen and inject ammonia into the grooves with little power required.

This system provides little dams that can hold rains up to 3" with little run off, distributed evenly over the slopes, allows the tractor with duals to ride up on top of the undisturbed ridge for stalk chopping, applying dry and liquid fertilizers and the first disking (and hopefully only one) before planting. This system also saves up to 50% of the fuel of conventional tillage because the tractor is riding the ridge which requires much less power.

The narrow, twelve inch spacing of most chisel plows is one of the worst frauds perpetrated on the U.S. farmer. I have asked the experts of many large tillage manufacturers to give me one good agronomic reason for setting up the chisel plows that way. No one has ever been able to give one reason. I always get the answer - that's what the manuals say. Of course you sell 2 or 3 times as many shanks that way.

However, the farmer accepts these units because they cover well, but they break up soil capillarity and over loosen the soil putting it in a position to soak up rain, but also erode rapidly in case of heavy rains. It must be packed down to bring back sufficient capillarity.

Yes, we need other educational efforts, but the research data must be developed, which will determine which pieces of equipment are doing a good job and then this information must be sold vigorously by our Extension Service, Vo-Ag and Post Secondary, and all other government agencies, to our nation's farmers. It is a tough job because no one way works 100% of the time.

One other thing that we at Iowa Western are doing to promote soil conservation is a rotational grazing system using alfalfa for stock cows and calves. We have our alfalfa divided into approximately 2 acre paddocks, 10 in all for a total of 20 acres. We have done this for three years now rotating the cattle in these small paddocks for the 4 to 7 days that it takes to graze it down and then move to the

next. The 20 acres has been more than adequate to feed 20 cows and their calves, plus several replacement heifers and a bull. This means that we are getting production of a calf on less than .9 acres of land as pasture. This is approximately 3 times the state average. This production makes these steep lands produce more dollars per acre as alfalfa pasture than it could ever do with soybeans or corn.

The philosophy of this intensive use of alfalfa as pasture bothers many people because of the bloat problem and the extra labor requirement. The labor is not much more than would be spent observing a herd on more extensive pasture conditions. We control bloat with bloat guard mineral blocks and a small amount of grain and chemical mix fed daily.

Rotation pastures, whether alfalfa or grass, have much potential for providing greater amounts of production from our erodible land to bring up the income to compete with corn.

Any extensive adoption of this method would require a philosophy change in beef production in the U.S. Beef will have to become more and more forage fed rather than grain fed, but that will be harder to sell to beef producers and packers than it is to the American consumer. The consumer already votes very heavily for low choice meat and would happily accept high good quality if they truly had control. The vested interests of the packers, the restauraners, super market purchasing people, have effectively controlled the grade changes attempted which would start to make the change to forage feeding possible. Of course, beef farmers are not ready to buy this concept either.

However, as the comparative feed conversion factors between poultry, hogs, cattle and even fish, become a more competitive factor for survival in an energy conscious world, beef production methods will have to change. High energy feeding of beef will have to go in order for beef to survive, it will have to go to its strong point, pasture and hay usage which people will not readily want to eat.

If beef production will move more to forage use rather than grain, and production of beef per acre can compete with corn or soybeans, then we will have a chance to convince farmers that their steeper slopes can be kept in forage production and erosion kept under control.

You will see sheep production as another possible alternative as it gains in popularity again.

In summary, we have a good sound basic soil conservation program at the Federal, State and Local levels, but it needs much more funding to move it along.

Our educational delivery system in agriculture must develop believable research sources, especially in the tillage area. The equipment monstrosities that are being sold in the name of conservation tillage are doing much more harm than good and farmers must have some basis for evaluating their performance.

We must look at kinds of farm production, like beef, that can provide a competitive per acre income from the hilly lands yet give us good soil erosion control. It has many problems, but the movement has already started. Forage fed beef can compete with any kind of other meat production, for dollar return and for energy usage, but corn fed beef cannot.

Finally, various churches are developing and publishing philosophies of land stewardship which hopefully will help to make us more aware of our temporary control of this, precious resource.

Mr. HARKIN. Our last witness is Pete Croghan, Woodbine, Iowa, president, Iowa Farmers Union.

STATEMENT OF PETE CROGHAN, PRESIDENT, IOWA FARMERS UNION, WOODBINE, IOWA

Mr. CROGHAN. I am Pete Croghan. I was elected president about a month ago. We are just starting to reorganize, and the lines of communication are not really where they should be.

I would like to express my appreciation on behalf of Iowa Farmers Union for being asked to appear before you today.

Both of you are to be commended for holding this hearing in western Iowa, in a section of the State that is in the need of a good, sound soil and water conservation program. I added water because I feel when you have a good, sound soil-saving program you also are conserving and holding the water for food production. Really you are getting two for the price of one.

Farmers Union on both the State and national level have long been concerned about saving the topsoil that our Nation has been blessed with. We have the capacity to produce food and fiber to such a degree that we can feed ourselves and still help feed the world. This capacity is possible mainly because we have the high producing soil. Other things enter into the whole picture, but you need the soil first. We have been given this great soil to use or abuse as we want. In many cases we have abused it. Maybe not by choice, but because of the money involved to put the conservation practices into place. We feel it is to the best interest of the Nation to help save and conserve the soil for future generations to produce the food and fiber they and the world will need.

We strongly favor a program that would include a cost-sharing program that would maintain a voluntary approach that would bring about good soil conservation programs.

The Federal funds for these programs have not been increased to the same degree that the costs have. Conservation is something that benefits the whole country. The money farmers receive from cost sharing does not begin to cover the loss of production a farmer loses the first few years after moving the soil up into terraces. For these reasons we feel State and Federal funds should be available.

We feel all conservation aid programs should be better coordinated at all levels. One, bring up land practices first before damming rivers and creeks. Maybe I should say before lakes for recreational purposes.

Again I want to commend both of you for what you have done in the past. Iowa Farmers Union will continue to help you and all people involved in conservation on both the State and Federal levels as well as county level.

We at our State convention passed a resolution that soil conservation practices which have been financed by Government cost sharing should be recorded in the abstract and should be continued or upgraded by existing or future landowners. This is something that might need to be done at some future time.

The reason for that resolution, it came from Taylor County. There is a lot of outside investment coming in that area down there and they are bringing in four-wheel equipment, four-wheel-drive tractors, big equipment, and about the first thing they do is

knock the terraces out so they can do it faster, not necessarily better.

I have been making some notes here. I am kind of amused. I knew there was watershed work down here, but I think you ought to change the name if it is the North Pigeon because I am about 40 miles from here and Pigeon starts about 5 miles north of me. We are sandwiched in between Mosquito and Picayune, which are the two big watersheds up there. We cannot get into either one of them not because the water did not empty into either one of them, but because the Government and soil conservation people want to get the big areas in first. We are up there in no man's land. So when you are doing work up here, on any creek, I would say, include the whole watershed of that creek, because 5 miles north of me, there are very few terraces. I can say the first 10 miles, there are very few terraces in the Shelby County area.

Mr. HARKIN. You do not have a watershed up there at all?

Mr. CROGHAN. No. We have one farm on the Pigeon, and if people get 6-inch rain upstream from us, we have a flood. So really the work being done down here is well worth while, but we should go ahead and just look at a map. That is one example. I would say the upland treatment should be taken into consideration.

Thank you.

Mr. HARKIN. Thank you very much.

Mr. Chairman, I have three letters from people who could not be here today. I would like to ask they be made a part of the record.

Mr. JONES of Tennessee. I ask unanimous consent that additional communication and information be included in the record at this point.

[The material referred to appears at the conclusion of the hearing.]

Mr. JONES of Tennessee. This is the first time we are ahead of our schedule. I want to compliment you people for being on time and giving splendid testimony. I think it is one of the best hearings we have ever conducted. It has been easy. I think the witnesses have spoken with ease and I think we have tried our best to be fair to you in all statements that are made.

If I may, let me take about 10 minutes and go through some of the things I have observed and then if there is some disagreement as to what I say then whoever wants to speak may do so.

I want to first compliment the citizens of the State of Iowa for the good State legislation that you have. You seem to have all sorts of good local State legislation. I think you have the same problem the United States has in that you may not have all the money you need, that has been our problem too.

But this group without one single doubt in my mind, certainly knows the need for conservation and I am sure each of you is dedicated in what you are trying to do.

I made notes as we heard you and I want to relate to a few of the things I have seen here.

Mr. Stille mentioned the legislation that we have and I thought that was very, very good. He recommended some State and local rules too of which we will take note. I am aware of the fact that he said we need additional grants and loans and insisted on, or suggested, that the 1981 farm bill must include conservation. I agree

with you, that is the format in which we should be writing the new legislation for next year.

Mr. Conry, of NFO, suggested something that I think is a good idea, but I think it will be difficult to ever get two agencies such as SCS and ASCS to agree upon a combination of committees. I think we would have more problems there than we have today because neither committee operates alike and from their rules and regulations I think it would be very difficult to do that. However, we will take note of it just the same and see what we can come up with. If any of you have additional suggestions please feel free to let us have them. Bill Hawks suggested additional funding for ACP. Frankly I have not run into any farmer in the United States who does not think we need more funding for ACP. I remember when we had the big appropriation, your subcommittee, part of which is here now, recommended \$250 million in the budget for agriculture. We made it through our full committee, but we also have a budget committee we have to be responsible to and they cut us back to \$190 million. But we did our best to increase it to \$250 million knowing it would not be enough but we hoped we would squeek by with that amount of money.

Mr. Scott of the Iowa Soybean Association told us that soybeans is the No. 1 crop in your State and it is the No. 1 crop in my State. I took a lot of interest in what he had to say about terraces, the push up type as compared to the type he is using today. However, I noticed something else that I want to admit that SCS in the past has made a mistake about and that is for rose and locust trees. Mr. Hollomon of the Farm Bureau supports voluntary cooperation of each individual farmer and land owner in this area. I need to talk to him about a little more as to what he actually wants there and see if we could not get something done in that respect. I think it is a good idea and something that ought to be considered. Someone suggested, and this has been thought of in this committee already, when we were writing the new piece of the national legislation that we are going to propose next year, that we attempt through IRS, which would be Ways and Means Committee in the House, to do something as far as tax credits are concerned for conservation purposes. I made a note to myself here to do that next week.

It so happens the general counsel for Ways and Means is a constituent of mine, he lives in my congressional district and I am going to hit him up hard next week. I also notice Al Ullman, the chairman of the Ways and Means Committee has a tough race out in his district and I will hit him at the psychologically right time.

Mr. Towers of the Land Improvement Association made a good statement, he said we have three programs, the ACP, Great Plains, and the rural plains. What about our new proposal for soil conservation.

Mr. TOWERS. I was not familiar enough with it to talk about it.

Mr. JONES of Tennessee. We will get one in your hands today. We need your endorsement of that program. It takes care of this congressional district as far as runoff, flooding and the erosion problem that you have, are concerned. But we want you to take a good look at that, Mr. Towers. We are sure you will buy that.

Mr. TOWERS. We are interested in all areas of erosion.

Mr. JONES of Tennessee. We are too. What Tom and I and the committee did, was nothing more than you would have done. We asked the Department of Agriculture and the Secretary to identify the most strategic areas that need conservation practices. We came up with seven. There will be more added. You can rest assured when we write the legislation, more people will be taken care of as time goes on.

One thing you mentioned Mr. Towers that we have thrown around a lot is the national endowment for public conservation. It is coming where Tom Harkin and I can get it done, it will be done. If you can have an endowment for the arts, you can certainly have one for conservation, our most needed resource that we have.

I think you also said instead of ASCS—you said ASCS and SCS, should be able to make loans for conservation purposes. I think that is what you said.

Mr. TOWERS. I said they would help administer—I will have to look at my report.

Mr. JONES of Tennessee. Regardless, my question to you would be, if you were alluding to the fact they should provide the fund for it, why not make it possible for Farmers Home Administration to make that loan and it could be administered through ASCS and SCS. We do not need any more credit agencies or confused government than we have today and we already have FmHA established.

Gary Ludington is here, I think we could fix that administratively so you could make loans for conservation research.

Mr. LUDINGTON. I think so. I think one of the big problems would be our testimony for credit under our present program. That program is not available to all farmers.

Mr. JONES of Tennessee. We are correcting that now, the test for credit. We will get together on that thing. I believe we can do something there.

Mr. TOWERS. My statement was that it be administered by the SCS and ASCS.

Mr. JONES of Tennessee. That is good, be administered but make the loan available through an agency such as Farmers Home.

Mr. Ludington alluded to the fact that the land use program regulations are not yet written.

Mr. LUDINGTON. We have a secretary's memorandum on it but they have not been adopted.

Mr. JONES of Tennessee. That will help soil conservation problems when you get that done, will it not?

Mr. LUDINGTON. Yes.

Mr. JONES of Tennessee. I would not take too much time, but Mr. Stover of SCS had a very good statement, the type statement you would expect from an SCS man and one I enjoyed very much. I took note of one fact which evidently is more applicable to this region than anywhere else, and that is summer construction provisions are needed. Does that take care of the Midwest or is that typical of Iowa?

Mr. STOVER. In some States especially where you have small grains, the land is open for construction during the summer season, but when you get into soybean or corn cropping, this is what ties up the construction. As you get further south, weather is more

favorable for working in the winter months which allows us more time to accomplish the practices that need to go on the land.

Mr. JONES of Tennessee. While you are standing I want to say first, with 15 years experience in Kansas and the Great Plains area, he ought to be a wiz for you here because that has been some good program. I congratulate you on having him even though I have not even met the gentleman.

How do you feel about H.R. 6732?

Mr. STOVER. If it could operate as the Great Plains conservation program, does the landowner would know that he has the backing of the Federal Government for the conservation measures needed on his land. SCS technicians would assist him in developing a plan which would bring soil losses down to acceptable limits. The work could be scheduled over a period of time, depending on how the legislation is drafted. I would think somewhere in the neighborhood of a 3- to 10-year period is well to consider because it does allow the farmer to plan his financial obligations over a period of time.

The limitation of \$3,500 per participant in conservation programs, with the cost of conservation methods in Iowa, really limits what can be done. This limit results in repeated trips by the SCS agent to the farms. The provision in H.R. 6732 which allows the Secretary to set maximum payments under the act would allow the flexibility required to meet the needs in different parts of the country.

Mr. TOWERS. Mr. Chairman, could I bring out something there? We talk about the \$3,500 a year which according to the way it is set up, a farmer can draw. I have talked to many farmers where the SCS committee is limiting them to \$500. You move equipment to these farms and there are costs, we are actually wasting money with a conservation program of that type because so much is being used in the moving costs.

Mr. JONES of Tennessee. That is an observation I am aware of. I do not know of any farmer who gets \$3,500.

Mr. TOWERS. In Polk County we do. We have a 75-percent cost-share, we use Federal, State, and county funds and we do a lot of work there. We get our county funds through county revenue sharing money, I think there were 19 or 20 counties using that. We are hoping we can keep those funds coming through.

Mr. JONES of Tennessee. That is a good observation. Craighton Knau made two statements which were really good. I cannot say much about what Craighton Knau says because professionally, I used to be a farm director too.

Mr. KNAU. I knew you had some talent.

Mr. JONES of Tennessee. Mr. McAndrews, you mentioned you needed a longer term loan for some of the financing loans. I assume you are aware the new farm credit bill has a 10-year loan in there.

Mr. McANDREWS. That is not a sufficient period of time, I was thinking more in the area of 20 to 30 years rather than the 10-year program, that still places a heavy yearly repayment program on a project costing \$60,000 to \$70,000.

Mr. JONES of Tennessee. Anybody who knows would know he works for PCA and not the Federal Land Bank. We had a terrible

fight to even get this 10-year loan in there. Maybe FLB's can get something done.

Mr. MCANDREWS. As to the test of credit, it was mentioned that that may be waived. Is that new legislation going to emphasize stronger for this credit? I think what Gary was referring to is that that test of credit should be waived.

Mr. JONES of Tennessee. I think a part of it will be tightened up in the conference report—it was reported this week, Wednesday. It took three or four of us to get it done—you may be right. Is that what you mean, Gary?

Mr. LUDINGTON. Under our program there would be a lot of farmers we could not finance because of the type of credit requirement. If it was a program decision to take care of everybody, then our requirements would be different.

Mr. JONES of Tennessee. We need to look into that a little bit more. Mr. McAndrews mentioned the fact that possibly land use legislation may be needed. I hear you.

Mr. MCANDREWS. It is a foregone conclusion that this is what will probably happen to us. If it does then we need the monetary help to conform to the legislation which will get laid on to us. I am not advocating that legislation, but I have a bad feeling that it is probably going to happen to you. When that happens then do not leave us out here hanging on a string with no monetary way to comply. That has happened in some areas. We do need the help in that area, but we do not need to take it away from soil conservation, the experience with EPA puts that thought in there, that those people were hung out with runoff problems with not much help to take care of it. So if we do get pushed into land use legislation, do not forget the people really affected by it. I am not advocating it.

Mr. JONES of Tennessee. I will read the record on that. But I am glad to know you are not advocating some land use legislation. Yet at the same time we have a house full of people in Washington who would like to see some land use legislation. Every time a piece of legislation arises which even has a semblance of that they get upset that it is farm or rural oriented. We consider it to be dangerous legislation as far as we from rural areas are concerned.

I heard this morning at the breakfast table, that some people are feeling it is much nearer to us than we may think. But I am one who will continue to fight it because I am afraid of it. I do not feel we have a right to have it for the present time, at least.

I think Tom, that I should conclude my remarks by saying I enjoyed the farmer bank manager's statement very much.

Mr. LOUDON. He did a very good job and I am glad there is one banker in the country who will identify himself as a farmer.

You raised the question as to why we cannot let the local SCPB members issue an obligation bond.

Mr. JONES of Tennessee. Is that what you meant, a bond for that purpose which would not be interest bearing?

Mr. LOUDON. Tax exempt. I noticed in the paper where in the city of Chicago, they are issuing \$200 million worth of that type obligation to build an apartment building. It said the minimum rent was to be \$800 a month. Now you see that is in the interest of the public, I am sure. But reasonably, these fellows who are com-

mitted to a program which requires income to service their debt, have to have some way of financing their part of that and they want to be a part of it. All I was suggesting is let us try to find a way so they can.

Mr. JONES of Tennessee. That is a new idea as far as I am concerned and I think our subcommittee needs to take a look at it. I do not know how much it would influence but we can offer it. I think you people directly connected with soil conservation and soil erosion problems might try that on a few people and see what could happen. That would have to be a local decision. I think the States could do that, could they not?

Harold Swanson did a real good job on getting close to my heart by saying that he was teaching young people every day to farm. By the way, we sure need that and I enjoyed what you had to say, Harold. You threw out some ideas there about tillage that I had not heard before. I will read your testimony in full.

Mr. Croghan, of course, talked about the farm conservation and soil erosion problems in his new position as president of the Farmers Union.

With that I am finished and I appreciate more than you know, this opportunity.

Mr. HARKIN. That is a very complete review.

I have just one little note that I made. I had a lot of notes, but you covered them all, Mr. Chairman.

The first witness, Clifford Stille, made one statement I had not heard stated that way before and I think it is one we ought to keep repeating. More energy is needed to farm once the soil has been depleted. It will take more and more energy input once the soil is depleted. At a time we are trying to conserve energy, if you have soil conservation, you are conserving energy.

Mr. Chairman, we have a few minutes to open it up for any other observations, comments and discussions. I would only ask when you speak identify yourself.

REMARKS OF BARNEY ZIMMERMAN, WESTPHALIA, PRESIDENT, SHELBY COUNTY FARMERS UNION

Mr. ZIMMERMAN. I am Barney Zimmerman, president, Shelby County Farmers Union, Westphalia.

These talks more or less bore on getting Federal funds for soil conservation practices. There is another idea which came to me, maybe we should have a public relations job, an educational job done on the farmers which exist. There are several kinds of farmer, the owner-operator farmers then the commercial farmer. I think the owner-operator farmers are more apt to love the soil than the purely commercial farmers. In this respect there are many things farmers can do on their own if they love their soil and they study and do the things they already know how. I think we need the help of the media, the Agriculture Department to talk about soil conserving. The media can help a lot. The soil is a national resource as much as oil, minerals or many other things.

One of the things we can do without any Government help and outlay is contouring. Contouring by itself will save half our soils. Strip cropping is a tool we can use. Grassy waterways which have practically disappeared through the use of herbicides, I suppose, is

another thing that can be done. Leave the residue on the top. Now farmers, I know, feel like they would like to use a method which would save the soil, but if they think they will make more money by farming some other way, a lot of times they will do it that way. Like plowing, for instance. I think the plow has probably destroyed more top soil than anything else we have done but in the past we have felt we had to plow.

Like the Indian said when he saw the white man plow, he shook his head and said the wrong side up.

We have a slogan about fuel which says save a gallon of gas a week. Why could the media not help us and say save a ton of soil a week.

Mr. HARKIN. Very good.

REMARKS OF GEORGIA SIEVERS

Mrs. SIEVERS. I am Georgia Sievers. I think it would be bad to have our honorable chairman come without having a woman's viewpoint on conservation and farming. I would just like to say my husband and I farm a farm that has been in the family for 108 years. What I have to say is looking forward to my children and their children having that and farming for another 100 years. These men have given you a tremendous amount of technical knowledge. I would just like to give you my viewpoint of what the future looks like.

We have seen an indication of the international money system go from the golds and metals of the past due to the greater world population, we are seeing that go to the golden grains, the foods and form of energy as a basis for all our future monetary systems.

Conservation is basically a way of us conserving our basis of our national monetary system and also, perhaps preserving the renewable resource energy, that we have in our grains and in our alcohol that we may need as our source of energy for all of us to exist in the future.

We cannot afford to expand exporting of our grain, without a change in national philosophy. We must recover cost of products and cost of preserving our lands and our resources. Exporting low-cost grain is shipping our golden grains plus our gold to the benefits of other governments and other peoples of the world but we are depleting and bankrupting this great country.

We need an American agricultural think tank and not funded by Rockefeller and Ford and the big moneys. I am talking about you guys out here, some of your organizations are going to get together for having a think tank which will provide us with what we need, prudent agricultural direction for the rest of this century into the next century. Let us let the farmers and these brilliant minds out here give us the sense of direction in this country, not the foreign funds and the moneys of the big foundations telling us in their think tanks where we are going. Let us determine our own future in agriculture. I would just like to say, we have great confidence in the people we elect such as you and we look to you to conserve the resources, balance the national budget and preserve this great Nation for our grandchildren.

Mr. HARKIN. Thank you very much. When you mention think tanks I get a little concerned. The last time we had a so-called

think tank on agriculture, it was funded by the Rockefeller Association. It came out several years ago and that was the one which stated that the best thing that could happen for agriculture would be fewer farmers.

Mr. KNAU. We have a think tank on agriculture now and it is called the State Department.

Mr. HARKIN. Cannot rely on them for much thinking.

REMARKS OF C. W. McMANAMY, COMMISSIONER, WEST POTTAWATTAMIE SOIL CONSERVATION DISTRICT

Mr. McMANAMY. I am C.W. McManamy. I am a commissioner in the West Pottawattamie Soil Conservation district.

I on behalf of the rest of our commissioners, I want to thank you gentlemen for bringing this hearing to southwest Iowa. The first soil conservation district was organized and put into action here in Montgomery, 40 years ago. As I have listened to a recital of the needs of the conservation effort, I cannot help but be reminded that those needs would be greater and more acute today if it were not for the fact that in the past 40 years it would be my observations that we have scored some tremendous successes in achieving conservation on the land not only here in southwest Iowa, and Iowa but in the United States which serves to underline the fact there is still remaining a great need.

In that connection one other point I felt had not perhaps been touched on as strong as it might be today, is the fact that we, at least, attribute a great measure of our success to date to the fact that soil and water conservation has a good, strong, grassroots foundation. That grassroots foundation is typified by the district and the money paid commissioners who serve those districts in a governing capacity.

My plea to you gentlemen today, as you look forward to further conservation efforts and to new programs in conservation, is to recognize that one of the cornerstones in the success of conservation to date, has been the grassroots foundation as exemplified by the districts and the commissioners.

Tom, I know that you have been deeply interested in providing this country with a new automobile and I congratulate you for that but I would bear witness with you, that as far as the vehicle which has conveyed our conservation effort, it is in excellent running shape and we think we have been getting fine mileage out of it in terms of what has been accomplished in conservation.

Again, thank you for bringing this hearing to us.

Mr. HARKIN. Paul Jacobson.

REMARKS OF PAUL JACOBSON, FARMER, CRAWFORD COUNTY

Mr. JACOBSON. I am a farmer in Crawford County, formerly State manager for the State conservation system in Iowa. Mr. Scott talked about the push up terraces, I am probably the main guy responsible for it.

One of the things we mentioned today, we mentioned the Treynor watershed. The Treynor watershed, No. 1, was originally set up to prove that by upland treatment programs you could control building. We still have not used many of the things we found out in the Treynor watershed. Later work in the Treynor

watershed went to the idea that we could simplify soil conservation practices so they were more farmable. This is being used in parts of western Iowa. A lot of the things we learned at Treynor watershed should be adapted across the State of Iowa so you get more practices adapted to this farmers union.

I own a farm up there. Quite a few people know about this farm. It probably has the most complete soil conservation program you will find anywhere in the world. A few weeks ago, a farmer from Marcus, Iowa, up there in the Marcus brimsoil area, if you know that area, it is generally a slightly sloping area, he went to the soil conservation area, the soil conservation people wanted to slope that farm. He had a problem. His idea was that he would control the problem down there, they recommended a \$13,000 program of terraces, 2 percent Marcus soil, a complete terracing program costing roughly \$13,000. His idea was, he has going to spend maybe \$1,000 to control the problems where they existed. The soil conservation personnel up there, they did say there was a renegade down in Crawford County who would listen to his story. He came down and we went up to that farm and he told me what he had proposed, would be a soil-saving dam, a silt-storage dam, sediment storage dam, with water control on it. It is one of the things in the soil conservation document. One of the stipulations, if you say the farm can be terraced, you cannot substitute this for a terracing program. If you own a farm with 2-percent slope, would you go in there and completely tear that farm up with a set of terraces? And I am a big terrace proponent but I would never do it. In other words we have to adapt these programs. When I left the Soil Conservation Service we had 30 percent of the job done so apparently we have accomplished nothing in the last 10 to 15 years. But you are not going to get a great share of the farmers to accept the major program which will be terracing until you make that program so it is adaptable to modern farming.

I have a paper here presented to agricultural engineers. They have already accepted most of these things in Kenya and most of them have not been accepted in the United States. I got a letter from a man in Kenya who said they made reference to this and they were making use of this.

I think this is important if you are going to sell a program. You have to make it adaptable so farmers can farm the land.

Mr. HARKIN. If we are to go out and take a look at North or South Pigeon we will have to move on.

Mr. Chairman, we want to thank you for bringing the subcommittee out to western Iowa. As you said, we heard a lot of good testimony in things that will help us in preparing for next year's farm bill. I want to thank all of you. Believe me, you made a valuable contribution to what we are going to be doing in soil conservation next year as we deliberate on this farm bill. So I want to thank you very much and thank you again, Mr. Chairman.

Mr. JONES of Tennessee. Delighted. It has been a great day for me.

[Whereupon the subcommittee adjourned at 1 p.m.]

[Material submitted to the subcommittee follows:]

PREPARED STATEMENT OF JOHN K. WEISS, CHAIRMAN,
CRAWFORD COUNTY SOIL CONSERVATION DISTRICT

The Crawford County Soil Conservation District is encouraged by and appreciates the opportunity to present testimony to this committee. We recognize that almost all portions of our United States have unsolved soil and water conservation problems. We also recognize that in Western Iowa we have some of the worst annual erosion rates on cropland in the whole United States. We are not proud of this, but we are not insulted either. We have made substantial progress in our Soil District in 30 years (as an example 10,000,000 feet of terraces have been built) but the total needs in the county are staggering. We fully support national efforts, such as H.R. 6732, to target critical areas in the United States for intensified land treatment conservation efforts.

A look at some of the figures compiled in our Workload Analysis for Crawford County shows the urgency of our situation. Our county is large, 20 townships, but we feel these trends are representative of other Districts in western Iowa.

Crawford County encompasses 458,000 acres. Of this, 371,690 acres are cropland. We have 195,000 acres of ^{20,000} corn, and 44,000 acres of hay. Only 40,000 acres are pasture. 15 years ago there were 80,000 acres of pasture in the District. You can see that we can no longer rely on small grain and hay rotations for conservation treatment. 10,000 Ac
5,000 corn
30,000 Ac
25,000

We feel that we have about 40% of the cropland adequately treated. We still have however, 139,000 acres of 3e and 31,000 acres of 4e land with average annual erosion rates of 25 tons/acre/year, 5 times the acceptable level. There are 4,000 acres of 6e land being cropped that the only acceptable treatment would be to seed back down to pastureland.

Our estimates of the job remaining to be done for our most needed practices show: 45 million feet of terraces, 214,000 acres of conservation tillage farming (100,000 acres of this should be No-Till if possible), 175,000 acres of contouring, and 32,000 acres of contour strip cropping. Assuming current cropping trends continue we feel we have approximately 30 years to get the needed conservation treatment on our untreated cropland before our soil resources are permanently damaged. Using only one practice, terraces, as an example we can show the magnitude of the job. We would need to build 1,100,000 feet of terraces annually. Currently, we are building 300,000 feet a year. The total annual cost of construction for the needed rate would be 1,500,000 dollars. Currently, our county through state and federal cost-share programs receives only 140,000 dollars.

Again, using terraces as an example, our analysis shows that we could build 700,000 feet a year with our present contractors and present SCS staff if three conditions were met. First, we would need an adequate and guaranteed allocation of cost-share money. Second, the cost-share rate would have to be at the 75%

level to insure adequate landowner participation. Thirdly, we would need a provision in any upgraded cost-share program to have a one year land set aside system to leave land idle for summer construction. This would allow us to make more efficient use of our dirt contractors and present SCS staff. This last point is very critical.

Our comment on cost-share rates is that we need 75% cost-sharing to be fair to the farmer and to the non farm public. High land prices, the extreme variation in net farm income being experienced, and the reoccurring drought and storm damage experienced in Western Iowa have made many farmers very conservative in making any unnecessary expenditures. As testimony to this, we can only recall one or two farmers out of the 60 that terraced in the county last year that were under 35-40 years in age.

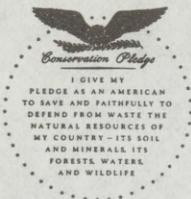
We support the concept that to receive the higher cost-share rates, to be guaranteed cost-share money, and to participate in a one year construction set aside program a farmer must work from a SCS prepared conservation plan. With the necessary incentives the program should work well on a voluntary basis. A farmer should be able to set up a contract on part or all of his farm. There should be a provision to make adjustments for years the farmer may suffer a natural disaster or loss of crops if formal contracts are made.

Finally, we must address the problem of funding such a program. We call it a problem, because we are aware of the current mood of the country. We too are concerned about excessive government spending. But, we feel that if priorities were more correctly placed soil conservation could receive more money at the expense of other government priorities without increasing the Federal Budget. Since this may not happen overnight we would like to propose an innovative idea that would not cost our taxpayers one cent. Our suggestion is that a small export duty per bushel be charged on all overseas shipments of corn, soybeans, and wheat with this money to be used for conservation treatment on the land. We all know that we are exporting our topsoil along with the feed grains we supply the world with. Our major exportable food crops are supplied by the intensive rowcrop farming throughout Western Iowa and the whole United States. Why shouldn't other countries be held responsible for our erosion problems when they enjoy the benefits of our productive natural resources?

Thank You

SEP 25 1980

Ida Soil Conservation District



104 Taylor Street,

Ida Grove, Iowa 51445

Telephone: 364-2124

September 24, 1980

Congressman Tom Harkin
Room 221 Federal Building
Council Bluffs, Iowa 51502

Subject: HR 6732 - A National Soil Conservation Program

Dear Mr. Harkin:

We commend you and your colleagues for your concern for our soil erosion problem. We also agree the deep loess hills of Western Iowa probably have the most serious problems in Iowa.

We do believe, however, that there is a lot of good soil conservation legislation already on the law books. If those programs were fully funded, we could be doing commendable job of reducing erosion control now. Examples are P.L. 566, the small watershed program and The Rural Clean Water Act. Unfortunately, the amount of funds now appropriated for these programs are just enough for administration and very little for actual application of practices on the land.

Therefore, if your proposal could be an amendment to existing soil conservation legislation, we believe it might be worthwhile. In this way, perhaps we could avoid any large administrative expenses associated with implementing a new law. Then, if any funds were appropriated, they could be applied directly to solving the special erosion problems referred to in H.R. 6732.

We hope our thoughts are helpful to you in your endeavour.

Respectfully yours,

Lester A. Vohs
Lester A. Vohs, *L.*
District Chairman

LAV:lc

IDA COUNTY CONSERVATION COMMISSIONERS

Harlen Dausel, Battle Creek
Burdelle Knudsen, Ida Grove

Lester A. Vohs, Galva
George N. Hartley, Battle Creek

Ramon A. Johnson, Holstein
Lou Collins, Sec'y., Treas.

LET'S KEEP ONE THING CLEARWATER!

SEP 25 1980

Woodbury County Soil Conservation District

4720

5900 West Gordon Drive
Sioux City, Iowa 51106

Phone: 276-7533



September 24, 1980

P. O. Box - J
Anthon, Iowa 51004
Phone: 373-5441Congressman Tom Harkin
Room 229 Federal Building
Council Bluffs, Iowa 51051

Dear Sir:

H. R. 6732 appears to be a bill which has been needed for many years in the loess soils of Woodbury County, Iowa. For many years the Soil Conservation Service and the Agricultural Stabilization and Conservation Service have contributed to the preservation of these soils in this part of the great State of Iowa. However, the SCS will never be able to meet its goal in conserving soil and water under the present financial assistance available. This great nation and Iowa, one of its most productive states in food and fiber, is in dire need of more funds to achieve its goals in soil and water conservation.

Practices thousands of years old and proven effective in saving soil and water are not being done because of a lack of funding because for most farmers it is not economically feasible to invest large amounts of monies for short term results, i.e. that a man's life is short in nature compared to Mother Nature's effect on the environment forever.

It is wise of the authors of this Bill H.R. 6732 to have the foresight that is so important in preserving our nation's valuable resources---soil and water.

In conjunction with the Iowa-sponsored H.F. 2561 or better known as the "Iowa Soil 2000", this H.R. 6732 furnishes us, the people of Iowa, the best opportunity so far to protect and save the resources so important to future generations in Iowa and the world.

The need for greater governmental cost-sharing for construction of terraces in this erosive soil of Western Iowa should be at least 85% of the cost of building such practices, as the long range effect is far greater than one man's lifetime. It is in the national interest that this be implemented as swiftly as possible to stem the loss of any more resources. It is evident the authors of this bill are aware of the eventual devastating effects if this problem is left untended.

It appears to me as a District Commissioner in Woodbury County that the District and the SCS are more than capable of administering this program which would work most efficiently in conjunction with the Iowa Soil 2000 law. We, here in Woodbury and surrounding counties are blessed with ample and qualified contractors who are schooled in construction of terraces and knowledgeable of our soils.

The Commissioners of Woodbury County applaud you, the authors of this major piece of legislation, and offer you our assistance and enthusiasm for your far-sighted commitment to preserving our lands for future generations.

Respectful and grateful for your concern,

JOHN C. CORD
DANBURYWILLARD FISH
SIOUX CITYDISTRICT COMMISSIONERS
TED BROMANDER
SMITHLAND

Willard A. Fish, Chairman
LLOYD TODD
CORRECTIONVILLECAROLYN CURTIN
ANTHON

SEP 25 1980

CONSERVATION IS EVERYONE'S BUSINESS

Shelby County Soil Conservation District

1112 Morningview Drive — Route 4, Box 11

Phone 755-2417 Harlan, Iowa 51537
September 23, 1980

The Honorable Tom Harkin
House of Representatives
229 Federal Bldg. P.O.-H
Council Bluffs, Iowa

Dear Mr. Harkin,

The Shelby County Soil Conservation District would like to submit the following comments on Conservation Work and Progress.

The need is great. Soil losses average 10 tons to the acre in Iowa because of steep topography and intensive cropping to corn and beans. It probably averages twice that in the Shelby District.

To complete the job in 30 to 40 years, application of conservation measures should be doubled. An estimated 6095 miles of terraces remain to be constructed in Shelby County. Our current average for the past 5 years was 70 to 80 miles per year. To complete the job, 150 to 200 miles per year should be built each year. Increased cost sharing might be one way to accomplish our goal. The District had good success with Long Term Agreements when cost sharing was at the 75% level. Eleven farms participated in a 3 year period and have completed excellent soil and water conservation programs.

The Shelby District also contains one of ASCS's 13 experimental Rural Clean Water Programs in the U.S. This is also a contract program at the 75% rate. Since Secretary of Agriculture Bergland signed the initial five agreements in the 4610 acre project in August of 1980, ten additional farmers have requested Rural Clean Water Contracts. Eleven contracts totaling 1093 acres, over one-fourth of the drainage area has been signed to date.

We think, this is excellent progress. These 15 farmers have come in voluntarily and signed these requests. Only general publicity and a letter has been used to get this cooperation. ASCS and SCS to date have made little effort to really sell the program. It has sold itself. This admittedly is the cream of the crop but it looks like a good approach to get conservation measures on the land. We therefore urge you to back conservation programs in Congress for the need truly is great.

Shelby District is located in the Golden Hills RCD area and funding of the Golden Hills RCD would also greatly assist in applying conservation measures to our Loess Hills.

We think the special areas Soil Conservation Act of 1980 introduced by Congressmen Jones and Harkin has real merit and should be passed. Our District is included in the Loess Hills area described in the bill and we believe it would be a successful program. We would further urge that administration of the program be similar to the Great Plains Conservation Program.

Sincerely,

Wayne Hansen
Wayne Hansen, Chairman
Shelby Co. SCD

Soil is The Basis of
All Human Existence

SOIL CONSERVATION PAYS DIVIDENDS

Saves Power, Increases Yields,
Conserves Soil And Water

PREPARED STATEMENT OF E. A. BALDWIN, HARRISON SOIL CONSERVATION DISTRICT



We feel privileged to be asked to make this presentation and then would like to present you with this letter and additional material that documents our presentation in more detail.

Harrison County Soil Conservation District consists of 447,360 acres.

126,700 acres are 2-9% upland soils rowcropped intensively - Present projected life is 200 years.

119,200 acres are 9-20% upland, one half intensive rowcrop and the rest rotation cropped or pastureland. Projected usable life 80 years without needed conservation treatment.

40,200 acres are 20% plus upland; the bluffs, used primarily for pasture or woodland. Projected life under present conditions is 250 years plus.

The conservation needs for these lands include:

5300 miles of terrace @ \$7,400 per mile = 39.2 million dollars

226 dams @ \$50,000 each = 11.3 million dollars

1288 miles of diversion terraces @ \$7,500 per mile = 9.6 million

Only three practices and they equal 60.1 million dollars. Not included are the acres of pasture seeding and tree planting or agricultural waste control systems plus many others.

The Soil Conservation District has the ability to solve these problems if some of the limiting factors are removed. Our limiting factors are:

1. Cost share dollar limitations
2. Open land to work on during summer months
3. Enough technical experts to sell and service the conservation product
4. Contractors to do the construction
5. The "so-so" attitude of the non-farm populace

Our District has the means to reduce the limiting factors, all that is needed is a catalyst. Funding is the catalyst that we need. Funds to cost share the installation of land treatment practices; to be used to keep cropland untilled for summer construction; to hire the needed technicians to plan and supervise conservation practices. The District also has the expertise to administer and allocate these funds as we have been doing with our State cost share funds, the small watershed program, resource conservation and development projects thus holding administrative costs to a minimum and having more of the funds go for conservation on the land.



We do feel that annual farmer cost share limitations should be waived. If a person is ready and willing to treat the land why should we hold them back to a limited number of dollars. Our objective is conservation on the land and it rarely makes any difference whether it is this acre or one down the road a mile away. Limitations also dictate the type of conservation treatment that is economically feasible for the landowner. For instance our dams cost from \$10,000 to \$80,000 each and a small limitation means that the landowner must be able to pay 80-90% of the total cost. This is difficult in an area that has been designated economically depressed for the last few years.

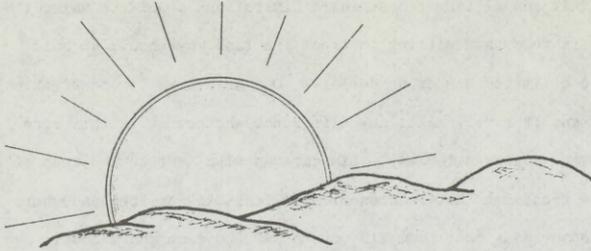
We realize that some features of the program may have to be mandatory, but this is nothing more than saying that every game must have its rules and in order to play the rules must be obeyed.

If land use conversion is one of the rules then just compensation must be made to help encourage, accomplish and retain these changes in land use. Possibly this compensation could be in the form of Farmers Home Administration low cost loans to individuals who wish to establish grasslands and develop a beef production enterprise on these converted acres. These loans could be limited to the counties indicated in the ACT.

Your SPECIAL AREAS ACT would use a format similar to the present Long Term Agreements that have proven successful in our District. Again the only limitations to the LTA's have been the ones we mentioned before. Funds and personnel to develop and service these plans. We would urge you to continue to use this format to accomplish the conservation objectives.

We urge you to continue to seek the passage of the "SPECIAL AREAS SOIL CONSERVATION ACT" and within the frame work of this plan to use the new techniques and methods for accomplishing conservation of our greatest natural resource; but we would also ask that you incorporate with this the programs that have proven to be successful. Resource conservation & development projects and certain aspects of the small watershed program serve a very useful purpose and provide solutions to some problems that are bigger than an individual and the individual's farmland.

We thank you for this opportunity to give our support to your bill and to make our presentation at this hearing.



**GOLDEN HILLS
RESOURCE CONSERVATION & DEVELOPMENT**

Box 936 Federal Bldg.
Council Bluffs, Ia. 51502

September 24, 1980

Honorable Tom Harkin, Member
Conservation and Credit Subcommittee
United States Representative
324 Cannon House Office Building
Washington, DC 20515

Dear Mr. Harkin:

The Golden Hills Resource Conservation and Development Executive Board would like to provide the following statement for inclusion with those of the Conservation and Credit Subcommittee Field Hearing to be held at Crescent, IA, Saturday, September 27. We are interested in properly conserving for future generations use, the natural resources of southwest Iowa.

The loess soils of this area are very susceptible to erosion. Severe sheet and gully erosion has occurred. This seriously affects the economic and environmental conditions of the region, as pressure for expanded food and fiber production is encouraged from the family farm. We feel that new and far reaching federal programs are needed to curb the erosion in this area.

We have reviewed with interest H.R. 6732 "Special Areas Soil Conservation Act of 1980," sponsored by the Honorable Jones, Foley, Madigan and Harkin. This bill could, if enacted, provide the needed assistance to deal with the problems in the sixteen counties of the loess hills in western Iowa. The Golden Hills RC&D proposed project encompasses eight of these counties. We are actively requesting authorization for funding of our RC&D project. Both H.R. 6732 and the RC&D project are needed. The need for conservation is very critical.

Land area in the sixteen county area totals 6,030,000 acres. Seventy five percent of the area is cropland. Much of this is dominated by steep erosive slopes. Approximately 70-75% of the cropland is in corn and soybeans. Soil

losses of 80 tons per acre per year are not uncommon. To date about 35% of the cropland is adequately treated. It has taken 35-40 years to apply the needed practices. Terraces are being applied at 945 miles per year. This rate needs to be increased to 4300 miles per year in order to complete those needed in 20 years. Time is running out to properly protect our valuable resource -- the soil.

Adequate cost sharing has limited the amount of conservation practices applied. Current needs include additional cost share and technical assistance. We feel H.R. 6732, if funded, could provide this need. District commissioners are presently administering the state of Iowa cost share funds. We feel that funding under H.R. 6732 should be handled in the same manner. This would allow local control for effectively carrying out the cost sharing needs.

We are also concerned about the federal manpower limitations. To apply the needed conservation practices, adequate technical assistance is required. Conservation planning, practice layout and checkout assistance is needed by the landowner and conservation contractors. In order to eliminate the federal personnel ceilings, employees could be assigned through the local conservation districts. The Soil Conservation Service would be responsible for their supervision.

The Golden Hills RC&D is actively promoting high levels of conservation tillage to reduce soil erosion. The agriculture committee of our group has had a conservation tillage plot the past four years. It is used to demonstrate the effectiveness of various levels of tillage systems. Tours are held at planting and harvest time. We feel that this practice combined with the structural program offered through additional programs will protect our soil for future generations use.

We ask your support for additional cost share and technical assistance. The need is great. We feel there will be strong voluntary participation, if cost share funds are available.

Sincerely,

George Annan
George Annan, Chairman
Golden Hills RC&D Executive Board
RR 3
Clarinda, IA 51632

Conservation and Credit Subcommittee Field Hearing
 Saturday, September 27 - 9:00 a.m.
 Crescent Iowa Community Hall

Data on Page County needs for cost-share assistance

1. Applications on hand awaiting approval because of lack of funds.

Estimates to be made	-	95
Estimates made		<u>65</u>
Total		160

This is approximately a three year waiting list.

2. Average cost of terrace job - \$8000 - 50% cost-share = \$4000.00
 Average feet of terraces per job - 5000 feet

3. Needs for applications on hand - \$1,280,000
 50% cost-share = \$640,000

4. Cost-share funds received 1980 -
- | | | |
|-------|---------------|-----------------|
| | \$90,000 | - State of Iowa |
| | <u>46,000</u> | - ASC |
| Total | \$136,000 | |

5. Number of farms approved for 1980 - 50 farms

6. Actual application - 50 to 60 miles per year

Total application of terraces to date - 4,446 miles

Estimated needs for the county - 42,495,552 feet

Remaining to be done - 27,544,804

PREPARED STATEMENT OF KIRK BENNETT AND EVAN DAVIES, MONONA COUNTY
SOIL CONSERVATION DISTRICT

In early 1980 the Monona County Soil Conservation District Commissioners revised their long-range plan (copy attached). This plan and the District's Resource Inventory indicate there are approximately 141,000 acres of cropland and 47,000 acres of pasture that are subject to erosion if not properly treated with conservation practices.

The revised long range plan shows a need for 21.6 million feet of terraces and 141,000 acres of conservation tillage on these sloping loess soils. In 40 years with the ACP and Little Sioux Flood Prevention Programs, we have built less than half of the needed terraces and conservation tillage. Forty to fifty years for finishing the job is too long. Too much soil will be gone and too much damage done. In revising our long-range plan we estimated the money and man-power needed to get the job done (see page 13). We also studied the limitations to getting the job done. Your proposed bill addresses some of these limitations exceptionally well.

Contracts for the whole job on a farm with the guarantee of cost-sharing for that job give a permanence to soil and water conservation that is needed. As our District and Soil Conservation Service personnel are already handling state cost-share funds and terracing contracts in the Little Sioux Watershed, additional staff for writing contracts would not be needed. Our staff also has experience in handling long-term agreements for the ACP.

We would strongly request that any yearly funding limitations be in the \$30,000 range rather than \$3500 as is now true of ACP.

We strongly suggest you include a summer construction incentive feature in your bill or in the rules that control this cost-share program. One of the limitations to getting the job done is a short construction season - that spring period before the crop is planted and that fall period after harvest. Some sort of payment for loss of crop for a year would allow construction all summer. This would alleviate the need for a greater number of contractors and would provide a full construction season for

those we now have. A small amount of unemployment compensation would be saved. The summer incentive program would also utilize the technical staff more fully.

We would request that the practices cost-shared and the cost-share rates be tailored to fit the local conditions. Economic conditions in our District and in the deep loess area of Iowa are lower than the state average. Then, too, benefits vary for different practices. We request that cost-share rates be determined more on an on-site, off-site basis. As an example, an erosion control structure with sediment storage traps about 90 percent of the sediment from the run-off water. Any chemicals fastened to silt particles are trapped in the same proportion. It seems that the cost-share rate on this practice should be in the 80-90 percent bracket. Such an approach could be easier to explain to the general public--"You are only paying for the benefits that you are receiving."

A new problem in our District in recent years is the destruction of conservation practices by new owners of land. Reasons for this situation are multiple, but we believe it could be slowed a lot by having staff enough to visit with new owners of land. We could help them to understand how their old conservation systems could be up-dated. Many of the old terrace systems are outdated and not farmable with today's machinery. So there is an additional need for staff and cost-share funds to redesign old systems rather than destroying them.

In fiscal year 1980, there were 131,985 feet of terraces built in Monona District. However, the staff estimated that we had a net gain of only 10,000 feet. A small part of the 122,000 foot loss was in old systems that were redesigned. A larger part of the loss was in old systems that could not be farmed with larger equipment and hence were destroyed.

In summary, we totally support your proposed bill. If adequately funded and with additional staff, we can set about getting the severe erosion in the loess hills of our District under control and in a state of permanent production.

(The attachment is held in the subcommittee file.)

PREPARED STATEMENT OF C. W. McMANAMY, DISTRICT COMMISSIONER,
WEST POTTAWATTAMIE SOIL CONSERVATION DISTRICT

I am C. W. McManamy, a district commissioner of the West Pottawattamie County Soil Conservation District. Speaking on behalf of my fellow commissioners may I first say that we are pleased and proud to be serving as the host district for this important hearing. Also, speaking for the many interested citizens of this community who so strongly support soil and water conservation may I say it is most gratifying to see this expression of interest and concern by yourselves, your committee and the federal government.

It strikes us in these parts as entirely fitting and proper that a conservation hearing of this sort should be held here in Southwest Iowa. It was in this corner of the state that the first formal conservation district was born 40 years ago. That was in Montgomery county in 1940.

You will hear today, I am sure, a great deal about the tremendous "needs" of and for soil and water conservation. This will be as it should since it is indeed these needs and demands that warrant our full attention and undivided effort.

May I respectfully suggest however that in contemplating our needs we do not lose sight of the tremendous accomplishments achieved todate. Although a book detailing our needs would make a large volume a similar book covering the accomplishments would also make a sizable edition. Moreover it would provide some highly interesting reading.

It would be interesting, in part, because of what it would reveal. The fact that one of the major strengths of the soil and water conservation movement is its grass roots foundation. A foundation based in the district concept and the unpaid citizen governing body the district commissioners. Revealed also would be the workings of one of the smoothest running arrangements in the history of government-citizen cooperative effort. That would be the Soil Conservation Service-Soil Conservation District partnership.

I should like to take a moment or two to list what seems to me to be several of the more important needs of the soil and water conservation program. Needs that I suggest must be fulfilled if the progress we seek is to be achieved in the rapidly diminishing time left to us.

There must be an expanded and sharpened public awareness not only of the needs of the program but of the means by which those needs can be fulfilled. The American public today is acutely aware of many national problems. Inflation, energy, unemployment, transportation, just to mention a few. Unhappily at the same time it is, relatively speaking, a rare citizen who has even a cursory appreciation of the perils facing two of our principle national resources...soil and water.

Along with an increase in public awareness must come a sharply accelerated educational effort. Such effort should span the entire spectrum of formal education from grade school through college. In addition vast numbers of adult citizens need a crash course in conservation.

We sometimes erroneously conclude that farmers know all about conservation while our city cousins are not nearly so well informed. I shall pass no judgement on our cousins at the moment but I do make bold to suggest that there are untold numbers of tillers of the soil who, to put it mildly, still have a lot to learn about that soil and its conservation.

Last but not least on my abbreviated list of needs comes the matter of funds. It is my conviction, shared I suspect by many others, particularly commissioners, that the biggest single obstacle to even greater achievements in on-the-land conservation has been lack of adequate finances.

I use the term finances advisedly as opposed to funding because I am not suggesting that our conservation problems can be resolved by anything so simple as throwing government money at them. I would respectfully call your attention to the fact that virtually all of the conservation accomplished up until this time has been the result of a financial partnership between the farmer and his federal and state governments.

The ever increasing costs of day to day farming operations have cast a cloud over the individual farmer's ability to expand this partnership. I happen to believe though that expanded funding from other sources would be matched by a willing and determined farmer participation.

In conclusion may I take note of H. R. 6732 in which you two gentlemen have played important roles. This measure recognizes that within the broad framework of soil conservation there are indeed "special needs" areas. We here along the Missouri have long recognized this fact. This legislation addresses itself to one of our major problems...the special nature of our soil.

Because ours is a special need and because this need is shared by many others we commend you for your interest and initiative. We look forward hopefully to seeing the goals of this proposal becoming reality.

Gentlemen as one who has watched the birth, maturation and flowering of the conservation effort throughout its 40 year history in Iowa I have a personal plea. If changes are needed in mechanics, methods and means to provide a viable conservation effort in tune with changing times then so be it. Please though give long and thoughtful contemplation to the vehicle which has carried our conservation effort so far in such a relatively short time. Consider the basic strength and soundness of the district concept and its commissioners. Then trust that vehicle to carry forward any and all future conservation efforts.

Congressman Harkin I clearly recall your determination to provide this nation with a new concept in automobiles. Yours is a worthy ambition and I commend you. May I, at the same time, suggest to you that as far as the conservation effort is concerned the district concept is running efficiently and smoothly. The chassis and body are both in excellent condition. Best of all by far it has and will continue to deliver outstanding mileage in the way of accomplishments.

Again our thanks for providing this opportunity to our community and it has been my personal pleasure to take part in the hearing.

Rather than take the time to translate our local district needs into the imposing figures which they reveal I am attaching a long range projection prepared by our technical staff. As you will see the totals in both needs and costs are startling but we are confident they can and will be met.

CONSERVATION TREATMENT NEEDS
West Pottawattamie Soil Conservation District

Iowa "2000" Law --- Goal is adequate protection of all Iowa lands from erosion damage by year 2000 (20 Years).

<u>CROPLAND</u>	
TOTAL ACRES-----	234,537
AMOUNT PROTECTED-----	92,046 <i>w/p.</i>
AMOUNT REMAINING-----	142,211

<u>PRACTICE NEEDED</u>	<u>DOLLARS NEEDED (50%)</u>
Terrace	$\frac{2490 \text{ mi}}{20 \text{ yr}} = 125.5 \text{ mi/yr} @ *\$6336.00/\text{mi} = \$788,832 = \$394,416.00$
Sediment & Water Control Basins	$\frac{420}{20} = 21/\text{yr} @ 1500.00/\text{ea} = 31,500 = 15,750.00$
Erosion Control Structures	$\frac{380}{20} = 19/\text{yr} @ 25,000.00/\text{ea} = 475,000 = 237,500.00$
Conservation Tillage	$\frac{200,000 \text{ Ac}}{20} = 10,000 \text{ Ac/yr} @ 20.00/\text{ac} = 20,000 = 10,000.00$
TOTAL COST SHARE NEEDS/YR CROPLAND ----- 657,666.00	

*Terrace cost based on \$1.20/ft

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<u>PASTURELAND</u>	
TOTAL ACRES-----	25,548
AMOUNT PROTECTED-----	17,000
AMOUNT REMAINING-----	8,548
TOTAL COST SHARE NEEDS/YR - PASTURELAND ----- 42,734.00	

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TOTAL COST SHARE NEEDED PER YEAR TO COMPLETE JOB IN 20 YEARS -----	700,400.00
TOTAL (Federal & State) COST SHARE RECEIVED 1980 FISCAL YEAR-----	120,975.00

continued-----

CONSERVATION TREATMENT NEEDS - West Pott. SCD -- continued:

MANPOWER NEEDED

CROPLAND

Terrace	2490 mi @ 30 mi/person/year = 83 man/year
Sediment & Water Control Basin	420 @ 22 person/year = 19 man/year
Erosion Control Structure	380 @ 6 person/year = 63 man/year
Conservation Tillage	200,000 @ 20,000 acres/year = 10 man/year
	TOTAL 175 man/year

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PASTURELAND

Basin Terrace	58 mi @ 30 mi/person/year = 1.9 man/year
Erosion Control Structure	40 @ 6 person/year = 6.7 man/year
Seeding & Management	5000 ac @5000 As/person/year= 1.0 man/year
	TOTAL 9.6 man/year

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TOTAL MAN YEARS NEEDED ----- 184.6
 MANPOWER NEEDED TO COMPLETE JOB IN 20 YEARS----- $\frac{184.6}{20} = 9.2$
 MANPOWER NEEDED TO COMPLETE JOB IN 30 YEARS----- $\frac{184.6}{30} = 6.2$
 CURRENT MANPOWER AVAILABLE AT FIELD OFFICE = 5

PREPARED STATEMENT OF ROBERT CERVEN AND CLARENCE MAXELL, STANTON,
IOWA, HACKLEBARNEY WATERSHED PROJECT

I feel there is a need for more cost-share assistance as the A.C.P applications have always been greater than what was available for conservation work.

I support H.R. 6732 as there are many serious erosion problems in the Loess hills of southwestern Iowa.

We also have Hacklebarney watershed in the planning stage in which we are very much interested. This application is scheduled to go into the Washington Soil Conservation Service office in the fall of 1980. We would appreciate it very much if you could give us your assistance in moving this project along.

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