

**Statement of Mark Rey
Under Secretary, Natural Resources and Environment
United States Department of Agriculture
Before the House Appropriations Subcommittee on Agriculture, Rural
Development, Food and Drug Administration, and Related Agencies**

April 6, 2005

Mr. Chairman and members of the Subcommittee, I am pleased to appear before you today to present the Fiscal Year (FY) 2006 budget and program proposals for the Natural Resources Conservation Service (NRCS) of the Department of Agriculture (USDA). I am grateful to the Chairman and members of this body for the ongoing support of private lands conservation and the protection of soil, water, and other natural resources. It is with great pleasure that I introduce members of the NRCS leadership to the Subcommittee. With me this morning are Mr. Bruce I. Knight, Chief of the NRCS, Ms. Dana D. York, Associate Chief of the NRCS, and Mr. Daniel Runnels, the NRCS Budget Director. Also here with me is Dennis Kaplan from USDA's Budget Office.

Farmers, ranchers, and other private landowners across America play a vital role in conserving our Nation's soil, water, air, and wildlife resources while producing abundant food and fiber. This year, NRCS celebrates its 70th Anniversary. I am proud to say that even though the issues facing farmers and ranchers have grown more complex, NRCS has risen to the challenge to help agriculture become even more vibrant and productive while helping to protect our private land natural resource base.

FY 2006 President's Budget

The President's FY 2006 Budget request for NRCS provides resources for the ongoing mission of NRCS while ensuring that new challenges faced by landowners can be addressed.

Because of the overriding need to reduce the deficit, NRCS, like every Federal agency, will share in the responsibility of controlling Federal spending. There are proposals in the budget that will produce savings in both the mandatory and discretionary accounts. These savings will enable the Administration to target funding based on need and reward performance. It also allows the Administration to commit limited resources to the highest priorities, such as accelerating technical assistance to help agricultural producers meet regulatory challenges, particularly in the area of helping to manage livestock and poultry waste.

With that said, the President's FY 2006 Budget request for NRCS recognizes the vital role that natural resource conservation plays in securing America's national security. Without productive soil, clean water and air, and farmers and ranchers who can make a living off the land, the United States would not be the strong Nation it is today.

The budget includes key increases within the Conservation Technical Assistance (CTA) account—an additional \$37.2 million to help producers comply with Animal Feeding Operations/Confined Animal Feeding Operations regulations, and \$10 million to control

invasive species. This year, total NRCS funding for both discretionary and mandatory programs is proposed at \$2.7 billion.

Building Strong Accountability Measures

In the current budget environment, it is more important than ever to continue working diligently in accountability and results measurements for the funds provided by Congress.

Mr. Chairman, I am proud of the great strides NRCS has made in the past year on performance and results, as well as making NRCS information more accessible to farmers, ranchers, and the general public. NRCS has taken bold steps to address all the challenges identified as a result of the Program Assessment Rating Tool (PART) score for the base agency program of CTA.

Meeting the President's Management Agenda is very critical to all of us at USDA.

Linking program requirements and program allocations to performance and accountability measures helps both the Administration and Congress make budget decisions. I am proud to report that this year was the first year that NRCS could track direct charge through an entire budget development cycle. Direct charge has improved the ability of NRCS to directly track how NRCS employees spend every day and how the technical assistance workload is distributed among programs. This is a critical management tool, and will allow the Agency to prioritize work and provide even greater accountability to the taxpayers and members of Congress.

In addition, as a result of the accountability management processes, NRCS has established national CTA program priorities for FY 2005. These priorities include development of concentrated nutrient management plans (CNMPs) to assist landowners needing to comply with the Environmental Protection Agency's Concentrated Animal Feeding Operation Rule; reduction of non-point source pollution, such as nutrients, sediments, pesticides, or excess salinity in watersheds; reduction of emissions that contribute to air quality impairment; reduction in soil erosion and sedimentation from unacceptable levels on agriculture lands; and promotion of habitat conservation for at-risk species.

I am encouraged to report this direct link between performance and priority setting and look forward to reporting further on the results of this effort.

Cooperative Conservation

At the heart of delivery of voluntary conservation programs is cooperative conservation. Cooperation in the delivery of programs at the Federal, State and local levels with landowners, tribes, government agencies and nongovernmental organizations is critical to providing accountable, quality land care assistance. In August 2004, the President issued an Executive Order on Facilitation of Cooperative Conservation. Through this directive, the President has sent a clear message that we can look forward to greater cooperation among Federal agencies on natural resource issues. The order instructs Federal departments and agencies to enter into conservation partnerships, and to empower local participation in programs and projects that protect and conserve natural resources and the

environment. The Department of Agriculture has embraced this concept, and is working with other Federal agencies to highlight the successes of our joint efforts.

Looking Ahead

As the NRCS prepares to celebrate its 70th Anniversary this spring, we have much to be proud of in private lands conservation. It is rewarding to see the changes on the landscape that those early pioneers in soil conservation envisioned—conservation terraces that stop sheet and rill erosion, streamside vegetative buffers, acres of wetland habitat, and healthy grazing and forest lands. Even with all those changes, the next three years (FY 2005 through FY 2007) promise to be record years for conservation implementation and spending. This effort will continue to change the face of our nation's private lands landscape. Now more than ever, the field staff of NRCS are focused on working with farmers, ranchers and other conservation partners to get the job done.

Mr. Chairman, in summary, we all know that we are trying to plan for the future under an atmosphere of increasingly austere budgets and with a multitude of unknowns on the domestic and international fronts. I believe that the Administration's FY 2006 Budget request reflects sound policy, and will provide stability to the vital mission of conservation on private lands. The budget request reflects sound business management practices and the best way to work for the future and utilize valuable conservation dollars.

I thank members of the Subcommittee for the opportunity to appear, and would be happy to respond to any questions that Members might have.