----Original Message----

From: Keys, Anne C. [mailto:ACKeys@venable.com]

Sent: Thursday, June 03, 2004 3:11 PM

To: CIG

Cc: Kunickis, Sheryl

Subject: follow-up comment

Attached is a letter explaining a comment that I made to the CIG draft interim final rule in April.

Thanks,

Anne

Anne C. Keys

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info@admcoalition.com www.admcoaltion.com May 27, 2004

Dear Madam or Sir:

In April, I submitted an email outlining a potential problem with the Conservation Innovation Grant Program's draft interim rule. I believe you received it through Sheryl Kunickis of NRCS. I want to take this opportunity to elaborate a little more on this issue. The Agricultural Drainage Management Coalition requests that NRCS reconsider its decision to disallow technologies to participate in CIG grants if it is already eligible for EQIP in a project geographic area.

After reviewing the issue, much hinges on how NRCS would define "project geographic area". Assuming that an "area" is defined as a state or an area as big as a state, CIG grants for drainage water management projects in Indiana and Illinois would not be possible because the state NRCS offices have already issued practice standards for it. In both states, however, drainage water management is still a widely unknown practice among landowners and producers. Therefore, providing more funding for demonstrations of this practice would raise the profile of the practice as well as gather additional information about it.

The inference of this eligibility requirement may be that a practice standard for drainage water management in an area may *not* be developed if drainage water management CIG projects are underway in that area. If enough research information exists about certain practices, such as drainage water management, then the states should be allowed to issue practice standards even though CIG projects may be underway for those practices. Also, just because a practice standard exists, does not mean that landowners and producers know about it or are using it.

Moreover, if a CIG grant applicant in Illinois wanted to demonstrate the efficacy of using drainage water management in conjunction with other conservation practices and structures, he or she could not participate because drainage water management is already eligible for EQIP in Illinois.

While the coalition understands the intent of this proposed provision, we strongly recommend that this issue of practice eligibility for an area be decided on a case by case basis. We also recommend that if a practice is being funded under a CIG grant, then the NRCS should not be prohibited from writing at least an interim standard for it for the purpose of receiving cost-share assistance under the regular EQIP or other programs.

Leveraging different programs in conjunction with CIG should also be a priority. For instance, the Farm Service Agency has a research demonstration program under the Conservation Reserve Program, which provides cost-share assistance. However, one component it does not fund is monitoring (or validating) and outreach activities. CIG can fund these important activities. Therefore, NRCS and FSA should promote the use of both programs within a CIG application, thereby spreading CIG dollars over more demonstrations. Indeed, the monitoring, outreach and education dollars are very difficult to come by within the government, but are perhaps the most important components of these demonstrations. In fact, these components – monitoring and education – are probably the most important components of the CIG.

Thank you for your attention on these matters.

Sincerely,

Anne C. Keys Advisor