

## Key Points

## ***Watershed Approach for the Conservation Security Program***

May 2004

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### **I. Why a Watershed Approach is being Used:**

#### ***Watersheds are nature's boundaries***

Watersheds are nature's boundaries. They are a common sense way to group together producers' success on resource issues. They will reflect the environmental progress we expect from CSP in ways we couldn't expect from working along county or state lines.

#### ***Everyone lives in a watershed***

Everyone lives in a watershed, and using the rotation approach, within the next eight years, every farmer and rancher will have an opportunity to participate in the program. No qualifying producer will be left out.

#### ***More funding means more watersheds—or all watersheds***

Using a watershed approach, the gates can easily be swung open further as Congress makes funds available to allow additional watersheds and farmers—or even all watersheds and farmers—to be added to the CSP sign up. However, it provides the necessary narrowing of the gate in years where funds do not exist to either adequately fund all contracts or provide the conservation services necessary to run a quality CSP program.

#### ***It's a common sense focus required by simple arithmetic.***

With 1.8 million potentially eligible applicants—and funding available for about

3000 – 5,000 contracts, focusing the CSP effort is common sense.

#### ***The bottom line on the bottom line***

By law, NRCS cannot incur technical assistance costs in excess of 15 percent of the funds expended in that fiscal year for CSP. Given this modest service funding, we must focus and limit the land and landowners that our conservationists can serve at one time. Watersheds provide that focus.

#### ***Do it right, do it in stages***

A watershed rotation reduces the administrative burden on applicants while it reduces the technical assistance costs associated with NRCS and its technical service providers processing a large number of applications that cannot be funded. Because everyone lives in a watershed, and because each year producers in approximately one-eighth of the nation's 2119 watersheds will be eligible for the signup, everyone will have the opportunity to participate over the eight-year period.

#### ***Watersheds mean better service for those inside and outside of CSP***

For producers in a selected watershed, this approach means better service when applying. For producers not yet in a selected watershed, it means time to get ready with access to other Farm Bill programs and access to technical service from personnel unencumbered by CSP responsibilities. The CSP self-assessment

exercise will allow producers to see where they stand and allow for management concerns to be addressed.

### ***Refining and streamlining***

The staged implementation will allow agency personnel to refine, streamline, and perfect application procedures, as well as, self-assessment and self-screening processes.

### ***Focus on performance***

Watersheds allow us to first focus finite resources on areas with both a documented need for resource enhancement and a strong stewardship tradition.

### ***No superior system has surfaced***

While NRCS received and reviewed thousands of thoughtful comments, no alternative to the watershed approach was found that was a fairer way to operate the program under the TA constraints in place.

### ***3000 - 5000 Contracts vs. 300 contracts in 2004***

Limited Congressional appropriations and spending limits on technical assistance resulted in an original estimate of funding 300 CSP contracts nationwide in fiscal year 2004. But thanks to the administration's dedication to the program, and a resourceful contracting approach, some 3,000 – 5,000 contracts will now be possible.

### ***We've only just begun***

While much of the concern has been focused on the first year, it's important to remember that this is just the first year of a long-term program. Over seven years the administration is committing \$13.4 billion in funding toward CSP -- \$2 billion more than the latest Congressional Budget Office ten-year score. With this level of funding, we expect to enroll more than 90,000 contracts into CSP in seven years. This will undoubtedly supply the program with the foundation it needs to

"reward the best and motivate the rest" toward our collective goal of achieving exemplary stewardship.

### ***We've been here before***

Almost every new conservation program has experienced similar birthing and growing pains. In programs ranging from the Environmental Quality Incentives Program to the Conservation Reserve Program initial participation was limited by many of the same factors that effect CSP today. But in those initial start-up years, much was learned about what worked, what didn't, and constant improvements were made in the programs' administration and delivery. Now EQIP and CRP are utilized on a scale that was unimagined when they were first rolled out.