

FARM SECURITY AND RURAL INVESTMENT ACT OF 2002

Conservation Provisions

Section by Section Description

Section 2001. Conservation Security Program (CSP)

\$2 billion in budget authority*

(Annual enrollment capacity in the CSP is not specified in legislative language)

- Establishes CSP for Fiscal Year 2003 through 2007 to assist producers in implementing conservation practices applicable to each operation and rewarding stewardship on working lands.
- Places CSP legislative language in Title XII of the Food Security Act of 1985, subject to conservation compliance requirements.
- Defines eligible lands as private agricultural lands, certain tribal lands, and forested land that is incidental to an agricultural operation.
- Specifies that land enrolled in the Conservation Reserve Program (CRP), the Wetlands Reserve Program (WRP), the Grasslands Reserve Program (GRP), and lands that have not been cropped for at least four out of the past six years cannot receive a CSP payment.
- Establishes three levels (Tiers) of participation with corresponding increases in payments, based upon national land rental rates by land use.
- Tier I conservation security plans would address at least 1 resource concern for a minimum of part of the operation. Annual payment includes an amount equal to 5% of the base payment, cost-share and maintenance payments, and enhancement payments not to exceed \$20,000.
- Tier II conservation security plans would address at least 1 resource concern for the total agricultural operation. Annual payment includes an amount equal to 10% of the base payment, cost-share and maintenance payments, and enhancement payments not to exceed \$35,000.
- Tier III conservation security plans would address all applicable resource concerns for the total agricultural operation. Annual payment includes an amount equal to 15% of the base payment, cost-share and maintenance payments, and enhancement payments not to exceed \$45,000.
- Specifies terms as 5 years for Tier I and 5 to 10 years for Tier II and Tier III conservation security contracts.

Section 2002. Conservation Compliance

*Over ten years as scored by the Congressional Budget Office

- Makes technical changes to highly erodible land and wetland compliance provisions and prohibits delegating authority to make determinations.

Section 2003. Partnerships and Cooperation

- Authorizes the Secretary to enter into agreements to enhance technical and financial assistance provided to owners, operators, and producers to address natural resource issues related to agricultural production.
- Allows the Secretary to provide incentives for special projects to encourage partnerships and enrollments of optimal conservation value.
- Provides for flexibility in State agreements.
- Authorizes the Secretary to utilize up to 5% of conservation program funding to implement this Section.

Section 2004. Administrative Requirements for Conservation Programs

- Provides the Secretary the option of providing incentives for beginning farms and ranchers, Indian tribes, and limited resource producers.
- Protects the confidentiality of producer's conservation plan information, and locations of National Resources Inventory data collection points.

Section 2005. Reform and Assessment of Conservation Programs

- Requires the Secretary to develop a plan and submit a report by December 31, 2005 to coordinate program delivery in order to: eliminate redundancy; streamlining program delivery; and improve services (including reevaluation of the provision of technical assistance).

Section 2006. Conforming Amendments

- Changes the name of the Environmental Conservation Acreage Reserve Program (ECARP) to the Comprehensive Conservation Enhancement Program (CCEP) and provides authorization through 2007.
- Eliminates priority areas. (elsewhere in the Title, national priority areas for the Conservation Reserve Program are reaffirmed).

Section 2101. Conservation Reserve Program (CRP)

- Reauthorizes the program through 2007.
- Raises authorization for enrollment to an overall acreage cap of 39.2 million acres.
- Changes cropping history to be 4 out of 6 years.
- Provides a 1-year extension for lands planted to hardwood trees.
- Makes the Farmable Wetland Pilot Program available nationwide with an aggregate acreage cap of 1,000,000 acres.
- Allows producers to enroll entire fields through the continuous CRP as buffers in cases in which more than 50 percent of the field is eligible for enrollment and the remainder of the field is infeasible to farm. The modification restricts payments on the remaining acreage to general sign-up rates.
- Allows landowners to continue with existing ground cover where practicable and consistent with wildlife reserve benefits of CRP.
- Provides for managed haying (including for biomass) and grazing and construction of wind turbines on CRP lands.

Section 2201. Wetlands Reserve Program (WRP)

\$1.5 billion overall increase in budget authority*

- Reauthorizes the program through 2007.
- Increases the overall program acreage cap to 2,275,000 acres.
- Caps annual acreage enrollment at not more than 250,000 acres.
- Deletes 1/3, 1/3, 1/3 requirement for enrolling lands proportionally in permanent easements, 30-year, and restoration cost-share.

Section 2301. Environmental Quality Incentives Program (EQIP)

\$9 billion overall increase in budget authority*

FY'02	FY'03	FY'04	FY'05	FY'06	FY'07	Outyear Baseline
\$200 ¹	\$700	\$1,000	\$1,200	\$1,200	\$1,300	\$1,300

- Reauthorizes the program through 2007.

¹ New funding above existing EQIP dollars

*Over ten years as scored by the Congressional Budget Office

- Eliminates geographic priority areas.
- Allows for expenditure of funds in the first year of the contract.
- Eliminates cap on large confined livestock operations.
- Provides an overall payment limitation of \$450,000 per producer, regardless of the number of farms, and comprised of any number of contracts over the authorized life of the Farm Bill.
- Provides incentive payments for producers who develop Comprehensive Nutrient management Plans (CNMPs). CNMPs will be recommended by the Secretary where appropriate.
- Specifies contract length, as a minimum of one year beyond completion of the project (up to 10 years).
- Prohibits process of bidding-down (competitive cost share reduction among program applicants).
- Allows of up to 90% cost share for beginning or limited resource farmers.
- Specifies that all livestock producers receiving funding for animal waste manure systems must have a comprehensive nutrient management plan.
- Provides an additional \$50 million to assist producers in the Klamath Basin.
- Allows the Secretary to use a portion of EQIP funds in each of fiscal years 2003 through 2006 for innovative grants.

Subsection (1240I) Ground and Surface Water Conservation

FY'02	FY'03	FY'04	FY'05	FY'06	FY'07
\$25	\$45	\$60	\$60	\$60	\$60

- Provides a special initiative for ground and surface water conservation.
- Institutes cost-share payments, incentive payments, and loans to producers to carry out eligible water conservation activities, including irrigation improvements, conversion to less water-intensive crops, and dryland farming.

Section 2401. Grassland Reserve Program (GRP)

\$254 million in budget authority*

- Establishes a Grasslands Reserve Program (GRP) under which the Secretary may enroll up to 2 million acres of restored, improved, or natural grassland, rangeland and pastureland, including prairie.
- Places legislative language in Title XII of the Food Security Act of 1985, subject to conservation compliance requirements.

*Over ten years as scored by the Congressional Budget Office

- Specifies that the Secretary shall enroll not less than 40 contiguous acres of land using ten-year, fifteen-year, twenty-year and thirty-year contracts as well as thirty-year and permanent easements.
- Specifies process for determining payment rates.

Section 2501. Agricultural Management Assistance (AMA)

\$50 million in new budget authority*

FY'02	FY'03	FY'04	FY'05	FY'06	FY'07
\$0	\$10	\$10	\$10	\$10	\$10

- Provides an additional \$50 million (\$10 million per year from FY'03 to FY'07) for AMA, in addition to funds provided through the Agriculture Risk Protection Act of 2000 (also \$10 million per year).
- Mandates that assistance through the program be provided to the states of: Connecticut, Delaware, Maryland, Massachusetts, Maine, Nevada, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Utah, Vermont, West Virginia, and Wyoming.
- Caps the maximum payment to a person at \$50,000 for any year.

Section 2502. Grazing, Wildlife Habitat Incentive, Sourcewater Protection, and Great Lakes Basin Programs.

1. Conservation of Private Grazing Land

- Provides policy for technical assistance relating to conservation on private grazing lands, and mandates establishment of a separate funding line-item for this purpose.
- Places legislative language in Title XII of the Food Security Act of 1985, subject to conservation compliance requirements.
- Provides an authorization for appropriations.

2. Wildlife Habitat Incentives Program

\$700 million overall increase in budget authority*

FY'02	FY'03	FY'04	FY'05	FY'06	FY'07	Outyear Baseline
\$15	\$30	\$60	\$85	\$85	\$85	\$85

*Over ten years as scored by the Congressional Budget Office

- Provides for up to 15 percent of annual funds for the Wildlife Habitat Incentives program (WHIP) may be for increased cost-share payments to producers to protect and restore essential plant and animal habitat using agreements with a duration of at least 15 years.
- Places legislative language in Title XII of the Food Security Act of 1985, and subjects to conservation compliance requirements.
- Encourages equitable distribution of program resources across regions.

3. Grassroots Sourcewater Protection

- Authorizes for appropriation \$5 million annually from fiscal years 2002 to 2006 to utilize technical capabilities of each state rural water association that operates a well-head or groundwater protection program.
- Places legislative language in Title XII of the Food Security Act of 1985, subject to conservation compliance requirements.

4. Great Lakes Basin Program for Soil Erosion and Sediment Control

- Authorizes the Secretary of Agriculture, in consultation with the Great Lakes Commission, and in cooperation with the Administrator of the Environmental Protection Agency and the Secretary of the Army to carry out a program in the Great Lakes basin for soil erosion and sediment control.
- Authorizes for appropriation \$5 million for each of the fiscal years 2002 through 2006.
- Places legislative language in Title XII of the Food Security Act of 1985, subject to conservation compliance requirements.

Section 2503. Farmland Protection Program (FPP)

\$985 million overall increase in budget authority*

FY'02	FY'03	FY'04	FY'05	FY'06	FY'07	Outyear Baseline
\$50	\$100	\$125	\$125	\$100	\$97	\$97

- Removes existing acreage limitation, expands the definition of eligible land, and makes agricultural land that contains historic or archaeological resources eligible for enrollment.
- Shifts legislative language to Title XII of the Food Security Act of 1985, subject to conservation compliance requirements.
- Clarifies that forested land can only be enrolled if it is an incidental part of the agricultural operation.
- Includes non-profit organizations as eligible entities for program participation.

*Over ten years as scored by the Congressional Budget Office

- Allows the Secretary to provide grants (through an authorization of appropriations) for use in carrying out farm viability programs.
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Section 2504. Resource Conservation and Development Program (RC&D)

- Provides permanent reauthorization of the program and makes technical and conforming changes to the program.
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Section 2505. Small Watershed Rehabilitation

\$275 million overall budget authority*

FY'02	FY'03	FY'04	FY'05	FY'06	FY'07
\$0	\$45	\$50	\$55	\$60	\$65

- Provides mandatory spending from the Commodity Credit Corporation in addition to existing authorization of appropriations.
 - Increases annual authorization of appropriations for the program.
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Section 2506. Use of Symbols, Slogans, and Logos

- Provides a potential funding mechanism for the National Natural Resources Conservation Foundation, through the licensing of symbols, slogans, and logos.
- Specifies that no symbol of a government entity be licensed.

*Over ten years as scored by the Congressional Budget Office

Section 2507. Desert Terminal Lakes

- Provides \$200 million in funds of the Commodity Credit Corporation to be transferred to the Secretary of the Interior to be used to provide water to at-risk natural desert terminal lakes. Prohibits the purchase or lease of water rights with the funds.
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Section 2601-2604. Conservation Corridor Program

- Requires the Secretary of Agriculture to establish a conservation corridor demonstration program on the Delmarva Peninsula in the states of Delaware, Maryland and Virginia located on the east side of the Chesapeake Bay.
 - Specifies that a state, local government or combination of states must submit a plan and commit resources in order to participate in the program that is designed to demonstrate local conservation and economic cooperation utilizing existing agriculture and forestry conservation programs (including funding) of the Department of Agriculture.
 - Provides an authorization of appropriations.
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Section 2701. Funding and Administration

- Provides that funds for technical assistance shall come directly from the mandatory money provided for conservation programs. (Other transfers would remain subject to the Section 11 cap.)
 - Mandates that before April 1 of each year, the Secretary give priority for funding approved applications in states that have not received an aggregated amount of \$12 million for conservation programs. (Excludes CRP, WRP, and CSP).
 - Provides for the certification of third-party providers of technical assistance.
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Section 2702. Regulations

- Mandates that regulations associated with Conservation programs be promulgated within 90 days of enactment of the bill, and provides certain special exemptions to expedite the process.

Section 8002. Forest Land Enhancement Program (FLEP)

- Consolidates the Forestry Incentives Program (FIP) and the Stewardship Incentives Program (SIP).
- Provides for coordinated establishment, management, maintenance, enhancement, and restoration of forest practices on private land.
- Provides \$100 million in funds of the Commodity Credit Corporation to be expended between the date of enactment and September 30, 2007.

Section 10803. Chino Dairy Preserve (Miscellaneous Title)

- Provides authority to the Secretary of Agriculture, acting through the Natural Resources Conservation Service, to provide financial and technical assistance to the Chino Dairy Preserve Project, San Bernadino County, California.

Section 10910. Review of Operation of Agricultural and Natural Resource Programs on Tribal Trust Land.

- Requires the Secretary to conduct a review of the operation of agricultural and natural resource programs available to farmers and ranchers operating on tribal and trust land.
- Mandates that the Report to Congress be provided not more than 1 year after the date of enactment.

Section 1604. Adjusted Gross Income Limitation.

- Prohibits conservation and commodity payments to individuals or entities with an adjusted gross income of greater than \$2,500,000.
- Requires certification of income as an integral part of program applications.
- Specifies that the income requirement apply for 2003 through 2007 crop years.

*Over ten years as scored by the Congressional Budget Office



Farm Bill 2002

*Over ten years as scored by the Congressional Budget Office