

**FY 2008 Explanatory Notes  
Natural Resources Conservation Service**

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NATURAL RESOURCES CONSERVATION SERVICE  
**Purpose Statement**

The Natural Resources Conservation Service (NRCS) was established pursuant to Public Law 103-354, the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6962). In Fiscal Year 2006, NRCS adopted a new mission statement – “Helping people help the land” – that reflects the Agency’s role in providing conservation science and technology products and services to help people make and implement sound decisions to conserve, maintain, and enhance the lands and natural resources that they control or manage. Through this role, NRCS helps customers to achieve that balance of productive lands – healthy environment.

NRCS’ primary customers are the individuals and groups who make day-to-day decisions about natural resource use and management on non-federal lands. They include farmers and ranchers and other members of the private sector who support production agriculture, units of government, and non-profit organizations. NRCS helps these customers take a comprehensive approach to the use and protection of their soil, water, and related resources. These cooperative conservation activities benefit directly or indirectly all of the people of the Nation.

NRCS assists customers in the accomplishment of their conservation objectives by providing products and services through five business lines:

1. Conservation Planning and Technical Consultations. NRCS provides data, information, and technical expertise to help customers collect and analyze information to identify natural resource programs and opportunities, clarify their objectives, and formulate and evaluate alternatives;
2. Conservation Implementation. NRCS helps customers install natural resource conservation practices and systems that meet established technical standards and specifications;
3. Natural Resources Inventory and Assessment. NRCS assesses, acquires, develops, interprets, and delivers natural resource data and information to enable knowledge-based planning and decision making at all landscape scales;
4. Natural Resource Technology Transfer. NRCS develops, documents, and distributes a wide array of technology pertaining to resources assessment, conservation planning and conservation system installation and evaluation; and
5. Financial Assistance. NRCS provides cost share and monetary incentives to encourage the adoption of conservation practices that have been proven to provide significant public benefits. Financial assistance is awarded to participants who voluntarily enter into contracts, easements and agreements to conserve natural resources.

NRCS assistance to individual landowners is provided cooperatively through conservation districts, which are units of local government created by State law. NRCS works in partnership with the State conservation and other State and local agencies such as resource conservation and development councils, locally elected or appointed farmer committees, Federal agencies, Tribal governments, and private sector organizations.

Agency activities help sustain agricultural productivity and a healthy environment, providing broader public benefits such as a safe and abundant food supply; clean and more dependable water supplies; diverse and resilient plant and animal communities; and connected landscapes that support a productive agriculture and natural resource quality. NRCS employees help people understand the natural processes that shape their environment and how to form partnerships with their neighbors in a common approach for a landscape that stretches beyond the boundaries of their farm or community.

NRCS helps people achieve these outcomes through the following authorized and funded programs of the Department of Agriculture:

**Conservation Operations** is authorized by the Soil Conservation and Domestic Allotment Act of 1935, P.L. 74-46 (16 U.S.C. 590a-590f) and the Soil and Water Resources Conservation Act of 1977, (16 U.S.C. 2001-2009). The purpose of Conservation Operations is to provide technical assistance supported by science-based technology and tools that help people conserve, maintain, and improve the Nation’s natural resources. Conservation Operations contains four sub-accounts: 1) Conservation Technical Assistance

(CTA); 2) Soil Surveys; 3) Snow Survey and Water Supply Forecasting (SS/WSF); and 4) Plant Materials Centers (PMC).

1. **Conservation Technical Assistance Program:** The CTA Program is the cornerstone of all USDA conservation programs. The program helps private landowners, conservation districts, Tribes and other organizations with technical assistance to plan, design and implement conservation practices and systems. CTA delivers this assistance through a national network of locally respected, technically skilled, professional conservationists. These conservationists deliver consistent, science-based, site-specific solutions to help private landowners conserve, maintain, and improve the Nation's natural resource base. The CTA Program works in partnership with other cooperative conservation programs to leverage the Federal investment in order to achieve national priorities without duplicating local and State efforts. The CTA Program is the conservation foundation for the Nation's private lands and Indian lands conservation assistance infrastructure and brings to bear the technical expertise to get sound conservation solutions applied on the ground.

The CTA Program provides proven and consistent conservation technology and delivery infrastructure for achieving the benefits of a healthy and productive landscape, and has the following purposes:

- Reduce soil loss from erosion.
- Solve soil, water quality, water conservation, air quality, and agricultural waste management problems.
- Reduce potential damage caused by excess water and sedimentation or drought.
- Enhance the quality of fish and wildlife habitat.
- Improve the long term sustainability of all lands, including cropland, forestland, grazing lands, coastal lands, and developed and/or developing lands.
- Assist others in facilitating changes in land use as needed for natural resource protection and sustainability.

Specific objectives of CTA are to:

- Provide conservation technical assistance to individuals or groups of decision makers, communities, conservation districts, units of State and local government, tribes, and others to voluntarily conserve, maintain, and improve natural resources.
  - Provide collaborative community, watershed, and area-wide technical assistance with units of government, so they can develop and implement resource management plans that conserve, maintain and improve our natural resources.
  - Provide conservation technical assistance to agricultural producers to comply with the Highly Erodible Land (HEL) and Wetland (Swampbuster) Conservation Compliance Provisions of the 1985 Food Security Act, as amended by past and future Farm Bills.
  - Provide conservation technical assistance to decision makers in order for them to comply with Federal, State, tribal, and local environmental regulations and related requirements, and prepare them to become eligible to participate in other Federal, State, and local conservation programs.
  - Provide soils information and interpretation to individuals or groups of decision makers, communities, States, and others to aid sound decision making in the wise use and management of soil resources.
  - Collect, analyze, interpret, display, and disseminate information about the status, condition, and trend of soil, water, and related natural resources so that people can make informed decisions for natural resource use and management.
  - Assess the effects of conservation practices and systems on the condition of natural resources.
  - Develop, adapt, and transfer effective science-based technologies and tools for assessment, management, and conservation of natural resources.
2. **Soil Surveys.** NRCS helps people understand and use soils to their capability. Soil surveys provide the public with information on the capabilities and conservation treatment needs of their soil. Based on scientific analysis and classification of the soils, soil surveys are completed for a county or designated area and include maps and interpretations with explanatory information. Soil survey is the foundation of resource planning by land-users and for policy making for Federal, State, county, and



local community programs. NRCS conducts soil surveys cooperatively with other Federal agencies, land grant universities, State agencies, and local units of government. The major objectives of soil surveys program are to:

- Inventory and map the soil resource on the non federal lands of the United States.
  - Keep soil survey relevant to meet emerging and ever-changing needs.
  - Interpret the data and make soil survey information available to meet public needs.
  - Promote the soil survey and provide technical assistance in the use of soil information.
  - Lead the National Cooperative Soil Survey Program.
3. **Snow Surveys and Water Supply Forecasts.** NRCS provides western States and Alaska with information on future water supplies. NRCS field staff collects and analyzes data on depth and water equivalent of the snowpack at more than 1,200 mountain sites and estimates annual water availability, spring runoff, and summer streamflows. These forecasts are used by individuals, Tribes, organizations, and State and Federal agencies for decisions relating to agricultural production, fish and wildlife management, municipal and industrial water supply, urban development, flood control, recreation power generation, and water quality management. The National Weather Service includes the forecasts in their river forecasting function. The objectives of the program are to:
- Provide water users with accurate forecasts of surface water supply within the first 5 working days of each month, January through June;
  - Efficiently obtain, manage, and disseminate high quality information on snow, water, climate, and hydrologic conditions; and
  - Develop and apply new technology to meet changing needs of water users.
4. **Plant Material Centers.** The Plant Materials Centers (PMCs) identify, test and evaluate the performance of native plants to solve natural resource problems including biomass production, carbon sequestration, erosion reduction, wetland restoration, water quality improvement, streambank and riparian area protection, coastal dune stabilization, air quality and other conservation treatment needs. Plant materials are used to restore the environment to healthy condition after natural disasters and human induced resource concerns. PMCs also evaluate and develop improved technologies for the production, establishment, and management of plants used in conservation systems. PMCs directly generate revenue for the national economy with the release of proven species to the private sector for commercial production and sales that results in over \$100 million a year in revenue. The work at the 26 PMCs is carried out cooperatively with State and Federal agencies, universities, Tribes, commercial businesses, and seed and nursery associations.

**Watershed Surveys and Planning** authorized by the Watershed and Flood Prevention Act, P.L. 83-566, August 4, 1954 (16 U.S.C. 1001-1008). Before 1996, small watershed planning activities and the cooperative river basin surveys and investigations authorized by Section 6 of the Act were operated as separate programs. The Fiscal Year 1996 Agriculture Appropriations Act combined the activities into a single program entitled the Watershed Surveys and Planning program. Activities under both programs are continuing under this authority.

This program assists Federal, State, and local agencies and Tribal governments protect watersheds from damage caused by erosion, floodwater, and sediment and to conserve and develop water and land resources. Resource concerns addressed by the program include water quality, opportunities for water conservation, wetland and water storage capacity, agricultural drought problems, rural development, municipal and industrial water needs, upstream flood damages, and water needs for fish, wildlife, and forest-based industries. Types of surveys and plans include watershed plans, river basin surveys and studies, flood hazard analyses, and flood plain management assistance. The focus of these plans is to identify solutions that use land treatment and structural and nonstructural measures to solve resource problems.

**Watershed and Flood Prevention Operations.** This includes Watershed Operations authorized by P.L. 78-534, the Flood Control Act of 1944 (33 U.S.C. 701b-1), and Small Watersheds authorized by P.L. 83-566, as amended, (16 U.S.C. 1001-1008).

Through these programs, NRCS cooperates with State and local agencies, Tribal governments, and other Federal agencies to prevent damages caused by erosion, floodwater, and sediment and to further the conservation, development, utilization, and disposal of water and the conservation and utilization of land. The P.L. 566 program is available nationwide to protect and improve watersheds up to 250,000 acres in size. Currently, there are approximately 515 active small watershed projects throughout the country. P.L.-534 is available only in areas authorized by Congress; the areas cover about 35 million acres in 11 States.

The objectives of the programs are to assist local sponsors in assessing conditions in their watershed, developing solutions to their problems, and installing necessary measures to alleviate the problems. Measures may include land treatment and structural and nonstructural measures. Federal cost sharing for installation of the measures is available; the amount depends upon the purposes of the project. Loans are available to help finance the local share of the cost. Rural and urban residents working through local organizations (such as county or municipal governments, soil and water conservation districts, not-for-profit organizations, or Tribal governments) initiate a project by asking for assistance to solve a problem. State agencies review and approve local proposals and may provide financial and other assistance.

**Emergency Watershed Protection (EWP)** program is authorized by Section 216, P.L. 81-516, (33 U.S.C. 701b-1) and Sections 403-405, P.L. 95-334 (16 U.S.C. 2203-2205). The 1996 Farm Bill amended Section 403 of the Agricultural Credit Act of 1978 (P.L. 95-334) (16 U.S.C. 2203) by including the purchase of floodplain easements under the Emergency Watersheds Protection Program.

EWP program reduces hazards to life and property in watersheds damaged by severe natural events. An emergency is considered to exist when a watershed is suddenly impaired by flood, fire, drought, or other natural causes that results in life and property being endangered by flooding, erosion, sediment discharge or other associated hazards. The emergency area need not be declared a national disaster area to be eligible for assistance. During the past 10 years, the program has been used in an average of 36 States per year. Objectives of the program are to provide technical and financial assistance for disaster cleanup and subsequent rebuilding; stream corridor, wetland, and riparian area restoration; and for urban planning and site location assistance to Federal Emergency Management Agency when relocating communities out of floodplains. Local people are generally employed on a short-term basis to assist with disaster recovery. Activities include establishing quick vegetative cover on denuded land, sloping steep land, and eroding banks; opening dangerously restricted channels; repairing diversions and levees; purchasing flood plain easements; and other emergency work.

**Watershed Rehabilitation Program** is authorized under section 14 of the Watershed Protection and Flood Prevention Act approved August 4, 1954, as amended by section 313 of Public Law 106-472, November 9, 2000. This program assists communities in addressing public health and safety concerns and environmental impacts of aging dams. Technical and financial assistance is provided for the planning, design, and implementation of rehabilitation projects that may include upgrading or removing the dams. The program may provide 65 percent of the total cost of the rehabilitation projects; federal funds cannot be used for operation and maintenance. The program also allows communities to gain new benefits by adding municipal and irrigation water supplies, recreation, and wetland and wildlife enhancements.

**Resource Conservation and Development Program (RC&D)** is authorized by Section 102 of the Food and Agriculture Act of 1962 (P.L. 87-703), (7 U.S.C. 1010-1011) and Sections 1528-1538 of the Agriculture and Food Act of 1981 (P.L. 97-98). Section 383 of the 1996 Farm Bill (P.L. 104-127) (16 U.S.C. 3461) extended the RC&D program authority. Section 2504 of the 2002 Farm Bill removed the sunset provisions previously placed on this program. RC&D improves the capability of State and local units of government and local nonprofit organizations in rural areas to plan, develop, and carry out programs for resource conservation and development. RC&D plans may address land conservation, water management, community development, or other elements including energy conservation, protection of agricultural land, or protection of fish and wildlife habitats.

RC&D is initiated and directed at the local level by volunteers. A typical RC&D area encompasses multiple communities, various units of government, Tribes, municipalities, and grassroots organizations. The program serves as a catalyst for these civic groups to share knowledge and resources in a collective attempt to solve common problems facing their region. RC&D councils obtain assistance from the private

sector, Tribes, corporations, foundations, and all levels of government. As of September 30, 2005, a total of 375 RC&D areas have been authorized covering 2,675 counties across the country.

**Healthy Forests Reserve Program (HFRP)** is authorized by Title V of the Healthy Forests Restoration Act of 2003 (Public Law 108-148). HFRP assists landowners in restoring, enhancing, and protecting forest ecosystems on private lands to promote the recovery of threatened and endangered species; improve biodiversity; and enhance carbon sequestration. The three HFRP enrollment options include a 10-year cost share agreement, a 30-year easement, or an easement of not more than 99 years. Land enrolled in the HFRP must have a restoration plan that includes practices necessary to restore and enhance habitat for species listed as threatened or endangered or species or candidates for the threatened or endangered species list. All the options include cost-share payments for implementation of the required practices.

**Wetlands Reserve Program (WRP)** is authorized under Section 1237 of the Food Security Act of 1985 (P.L. 99-198), as amended. Funding is provided through the Commodity Credit Corporation (CCC). Section 2201 of the Farm Security and Rural Investment Act of 2002 (P.L. 107-171) (the 2002 Farm Bill) reauthorized the WRP through calendar year 2007. This Act provided for a total acreage enrollment cap of 2,275,000 acres and it authorized the Secretary of Agriculture to enroll 250,000 acres annually in the program.

WRP preserves, protects, and restores valuable wetlands. Wetland restoration and protection improves wildlife and migratory bird habitat, and water quality, and provides flood water retention, ground water recharge, open space, and aesthetic values. NRCS enrolls lands in this program in permanent easements, 30-year easements, and voluntary restoration agreements based on landowner interest in these enrollment options. NRCS enters into easements and contracts with landowners who operate eligible wetlands and associated buffer areas, as well as riparian areas that link two protected wetlands. NRCS and the Fish and Wildlife Service provide technical assistance.

**Environmental Quality Incentives Program (EQIP)** was re-authorized by Section 2301 of the 2002 Farm Bill which amended the Food Security Act of 1985 as amended by the Federal Agricultural Improvement and Reform Act of 1996 (the 1996 Farm Bill) (P.L. 104-127). The 1996 Farm Bill combined into a single program the functions of the Agricultural Conservation Program, the Great Plains Conservation Program, the Water Quality Incentives Program, and the Colorado River Basin Salinity Control Program. NRCS is responsible for implementation of EQIP and associated financial reporting. CCC funds EQIP.

EQIP promotes agricultural production and environmental quality as compatible national goals. The objective of the program is to provide technical and financial assistance to farmers and ranchers who face the most serious threats to soil, water, and related natural resources, assisting them to make changes in cropping systems; grazing management; manure, nutrient, pest, or irrigation management; land use, or other measures needed to conserve soil, water, and related natural resources. Technical assistance, cost-share payments, incentive payments, and education are provided to producers in a manner that optimizes environmental benefits. Contract length is one year after completion of the last practice not to exceed 10 years. At least 60 percent of funding must be targeted to practices relating to livestock production.

NRCS establishes policies, priorities, and guidelines for the program and provides technical leadership and technical and financial assistance. Conservation districts and Farm Service Agency (FSA) county committees assist with implementation; State Technical Committees offer advice on criteria and priorities.

**Ground and Surface Water Program (GSW)** is authorized by Section 1240I of the 2002 Farm Bill. GSW promotes ground and surface water conservation by providing cost-share payments and incentive payments to producers to carry out eligible water conservation activities with respect to agricultural producers to improve irrigation systems; enhance irrigation efficiencies; convert to less water-intensive agriculture or dryland farming; improve the storage of water through measures such as water banking and groundwater recharge; mitigate the effects of drought; or institute other measures that improve groundwater and surface water as determined by the Secretary, in the agricultural operations of the producers. A net savings in groundwater or surface water resources in the agricultural operation of the producer is a program requirement. NRCS establishes policies, priorities, and guidelines for the program and provides technical

leadership and technical and financial assistance. Program operation is similar to the Environmental Quality Incentives Program.

**Klamath Basin** is authorized by Section 1240I(c) (2) of the 2002 Farm Bill. The Klamath Basin program carries out water conservation activities in the Klamath Basin located in California and Oregon. NRCS establishes policies, priorities, and guidelines for the program and provides technical leadership and technical and financial assistance. Program operation is similar to the Environmental Quality Incentives Program.

**Farm and Ranch Lands Protection Program (FRPP)**. Section 2503 of the 2002 Farm Bill repealed the Farmland Protection Program authorized by the 1996 Farm Bill and authorized a new Farmland Protection Program. FRPP keeps prime, unique and other productive farm and rangeland in agricultural uses. Eligible land includes farm or ranch land that has prime, unique, or other productive soil or contains historical or archaeological resources. NRCS partners with eligible State, local, tribal and nongovernmental farmland protection programs providing up to 50 percent of the fair market value of the conservation easement. Up to 50 percent of the entity's share (i.e., up to 25 percent of the fair market value of the easement) can be donated by the landowner. The conservation easements are held by the cooperating entity and NRCS holds a contingent right in the easement. To be eligible, land must be subject to a pending offer from an eligible entity. A conservation plan must be developed for any highly erodible cropland associated with the conservation easement.

**Wildlife Habitat Incentives Program (WHIP)** is authorized by Section 1240N of the Food Security Act of 1985, as amended by Section 2502 of the 2002 Farm Bill. The 2002 Farm Bill also authorizes NRCS to provide additional cost-share assistance to landowners who enter into 15-year agreements for the purpose of developing essential plant and animal habitat. Originally authorized by Section 387 of the 1996 Farm Bill, WHIP develops habitat for upland wildlife, wetlands wildlife, threatened and endangered species, fish, and other types of wildlife. NRCS provides technical and financial assistance to landowners to improve wildlife habitat conditions on their property. NRCS enters into five- to 10-year cost-share agreements with landowners, providing up to 75 percent of the funds needed to implement wildlife habitat development practices. NRCS can also enter into one-year wildlife emergency agreements to help landowners meet the immediate habitat needs of wildlife affected by natural disasters, such as the drought.

**Conservation Security Program (CSP)** is authorized by the 2002 Farm Bill. Title II, Subtitle a, Section 2001 amends the Food Security Act of 1985 by adding Chapter 2, Subchapter A, the Conservation Security Program. CSP is a voluntary program that provides financial and technical assistance for the conservation, protection, and improvement of natural resources on Tribal and private working lands. The program provides payments for producers who practice good stewardship on their agricultural lands and incentives for those who want to do more. Equitable access for all producers will be provided in all 50 states, the Caribbean Area, and the Pacific Basin Area, regardless of size of operation, crops produced or geographic location. CSP is a resource concern driven program, not conservation practice driven.

**Agricultural Management Assistance Program (AMA)** is authorized by Section 211 of the Agriculture Risk Protection Act of 2000 (P.L. 106-224). Subtitle F, Section 2501(1) (4) (ii) of the 2002 Farm Bill provides \$20 million annually for financial assistance in 15 States, as determined by the Secretary, in which participation in the Federal Crop Insurance Program is historically low. Financial assistance is provided through the CCC. The 15 states designated by the 2002 Farm Bill to participate in the program are Connecticut, Delaware, Maine, Maryland, Massachusetts, Nevada, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Utah, Vermont, West Virginia, and Wyoming. AMA provides financial assistance to producers to construct or improve water management structures or irrigation structures; plant trees for windbreaks or improve water quality. The program also offers financial assistance to mitigate crop failure risks through production diversification or resource conservation practices, including soil erosion control, integrated pest management, transition to organic farming or to develop and implement a plan to create marketing opportunities for the producer, including through value-added processing. AMA also provides financial assistance to producers to enter into futures, hedging, or options contracts in a manner designed to help reduce production, price, or revenue risk; and enter into agricultural trade options as a hedging transaction to reduce production, price, or revenue risk.

**Grassland Reserve Program (GRP)** is authorized by Section 1238n of Title XII, of Food Security Act of 1985, as amended by section 2401 of the 2002 Farm Bill. GRP assists landowners in restoring and protecting grassland. The objective of this program is to enroll up to two million acres in permanent easements, 30-year easements, or for the maximum duration allowed under state or Tribal law. The program participant may enroll in a 10-, 15-, 20- or 30-year rental agreement in lieu of an easement. The program participant may enroll in a restoration agreement to restore the functions and values of the grassland.

**Technical Service Provider Assistance** is authorized under section 1242 of the 1985 Food Security Act, as amended by the 2002 Farm Bill. Section 2701 of the 2002 Farm Bill amended Section 1242 of the Food Security Act to require the Secretary of Agriculture to provide technical assistance under the Food Security Act Title XII conservation programs to a producer eligible for that assistance “directly ... or at the option of the producer, through a payment ... to the producer for an approved third party, if available.” Section 1242 requires that USDA establish a system for approving individuals and entities to provide technical assistance to carry out conservation programs and establish the amounts and methods for payments for that assistance. Technical assistance includes conservation planning and conservation practice implementation.

The Secretary of Agriculture delegated authority to implement Section 1242 to NRCS. NRCS implementation objectives of the provision include: 1) policy, procedures, and processes that provide efficient, effective, and timely technical services; 2) a process where conservation program participants can take full advantage of the marketplace and obtain cost-effective delivery of quality technical services; and 3) technical services that are provided in a manner that optimizes conservation benefits. Assistance through technical service providers expands NRCS ability to provide products and services that enable people to be good stewards of the Nation’s soil, water and related natural resources on non-federal land.

**Workforce Status and Location.** As of September 30, 2006, NRCS had 11,522 full-time employees with permanent appointments and 966 part-time or intermittent employees. Of this total, 461 employees are located in the Washington, D.C. Metropolitan Area and 12,027 employees located outside of the Washington, D.C., metropolitan area.

**Organizational Structure.** NRCS is a line and staff organization. The line authority begins with the Chief and extends through the Regional Assistant Chiefs, State conservationists, area conservationists, and is finally vested with district conservationists. Line officers are responsible for direct assistance to the public. Staff positions furnish specialized technical or administrative assistance to line officers. More than 98 percent of the over 3,800 NRCS offices are in the field. Staffs in these offices either provide direct customer service or critical technical and administrative support. The following is a brief description of the principal functions of NRCS offices.

**Customer Service Offices.** Eighty-four percent of NRCS offices either provide the Agency’s broad spectrum of natural resource technical and financial assistance products and services to customers, or a more focused service such as rural community development.

- **Field Offices.** Most employees provide front-line, personalized, one-on-one customer service from field offices that constitute 73 percent of NRCS offices. Employees in these offices provide customers with technical and financial assistance through the agency’s five business lines; as a result of this help, customers prevent or solve natural resource problems on their land and in their communities. Field office staff work side-by-side with employees of the local conservation districts and State conservation agencies. These offices function as a clearinghouse for natural resource information, helping people gain access to knowledge and assistance available from local, State, regional, and national sources. Field offices are located in all States, Puerto Rico, U.S. Virgin Islands, American Samoa, Guam, the Northern Mariana Islands, Micronesia, Palau, and the Marshall Islands. Ninety percent of these 2,823 field offices are located in USDA Service Centers and co-located with offices of Rural Development and Farm Services Agency; the rest are program delivery offices generally located with conservation districts.
- **Specialized Field Offices.** Another 11 percent of NRCS field offices (427) provide customer service that is more specialized such as the rural community development through Resource Conservation and Development offices or offices focused on delivering technical or financial assistance for water quality improvement.

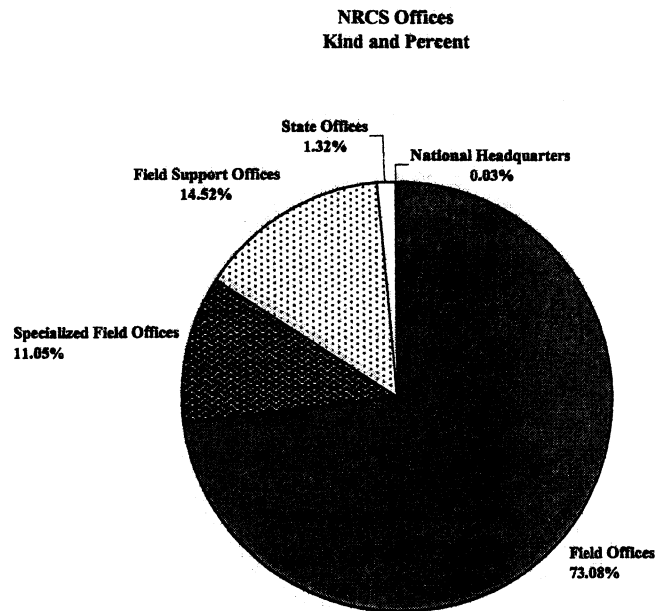
**Field Support Offices.** The remaining 14 percent of NRCS' 3,800 offices that are in the field house employees who provide critical technical and administrative support to customer service offices. The other field-located offices include: 1) Area offices that provide administrative and technical support to a group of field offices (these offices are generally used in larger states); 2) Project offices that are headquarters for watershed or river basin planning and construction activities; 3) Soil survey offices that inventory and map the soil resource on private lands resulting in current and consistent interpretations and data sets; and 4) Plant Material Centers that test, select, and release plants for conservation purposes in selected plant growth regions throughout the United States.

**State Offices.** These 51 offices provide program planning and direction, consistency and accountability, and administration of a comprehensive soil, water, and related resource conservation program for each State, Pacific Islands Area and Caribbean Area. State offices also have the responsibility for the technical integrity of the NRCS activities; technology transfer and training; marketing of the agency programs and initiatives; and administrative operations and processing. State offices partner with other Federal and State agencies to provide solutions to State resource issues. A State Conservationist heads the NRCS organization in each State except Hawaii; director is the title of the heads the NRCS Pacific Islands Area (which includes Hawaii) and the Caribbean Area.

**National Headquarters (NHQ).** NRCS assumes the departmental leadership for programs and other activities assigned by the Secretary of Agriculture, through the Under Secretary for Natural Resources and Environment. The Chief, with the assistance of the Associate Chief and Deputy Chiefs, carries out NHQ functions. Those functions include 1) planning, formulation and direction of NRCS programs, budgets, and activities; 2) development of program policy, budgets, procedures, guidelines and standards; 3) leadership and coordination with other agencies, constituent groups and organizations; 4) workload assessment and operations management; 5) oversight and evaluation activities and coordination of corrective actions; and 5) strategic planning and strategic initiative development.

NHQ is responsible for the framework for national technology development and delivery within the agency. Natural resource technology is developed and delivered through six national headquarters divisions, 11 national centers (cartography and geospatial; design, construction and soil mechanics; plant data; soil survey; water management; and water and climate), and three National Technology Support Centers (NTSC). NTSCs acquire and/or develop new science and technology in order to provide cutting-edge technological support and direct assistance, and technology transfer to States, Pacific Islands Area and Caribbean Area. These Centers also develop and maintain national technical standards and other technological procedures and references.

**Accountability.** The NRCS accountability system provides accurate and timely information for agency managers without imposing an excessive reporting burden on front-line employees. The NRCS Accountability Information Management System (AIMS) is both web-based and location-based. AIMS provides real time information on agency budget, performance, and results to anyone who clicks on the Accountability tab on the [www.nrcs.usda.gov](http://www.nrcs.usda.gov) web-site.



The 2002 Farm Bill is the largest federal investment in the soil, water, and other natural resources associated with private working lands in U.S. history. This investment generated a major increase in conservation technical assistance workload. The accountability system gave the agency a firm foundation of accurate information on which to address the magnitude of the 2002 Farm Bill and the provisions for the use of local government and private technical assistance providers. To meet these demands, NRCS is making full use of the AIMS to improve efficiencies and effectiveness.

In FY 2007, NRCS will continue to integrate budget and performance. The following improvements are planned in the design of performance measures, data collection, and presentation applications:

- Implementing new results-oriented performance and efficiency measures by program into the Performance Results System (PRS). This will allow the agency to more directly identify costs for budget and performance integration, in part, through identification and alignment of activities and the program-specific performance measures.
- Modifying the Goals application in PRS to allow data to be entered and tracked on a field office service center boundary which will provide better field office management and performance tracking. The Goals application allows individual field offices and states to input goals for each county and state in the nation.
- Updating the full cost of programs model with current activity costing data. NRCS' full cost of programs model estimates technical assistance program costs based on information in the AIMS. Model runs proved useful in planning the efficient roll out of the 2002 Farm Bill programs and articulating the full costs of technical assistance.
- Implementing a web-based Program Operations Information Tracking System (POINTS) for the Emergency Watershed Program (EWP).
- Planning for and implementing an enterprise-wide agency reporting strategy that will centralize all agency data into an organized, easily accessible web based application. Full implementation of this strategy could take two years.
- Implementing a system to track progress for individual Congressional Earmarks and programs of State and local importance.

**Strategic Plan.** In FY2006, NRCS began implementing its new strategic plan that sets the Agency's priorities and direction for the next 10 to 20 years. The plan establishes six mission goals and outcomes:

1. High Quality, Productive Soils
  - Soil Quality. The quality of intensively used soils is maintained or enhanced to enable sustained production of a safe, healthy and abundant food supply.
2. Clean And Abundant Water
  - Water Quality. The quality of surface waters and groundwater is restored and maintained to protect human health, support a healthy environment, and encourage a productive landscape.
  - Water Management. Water is conserved and protected to ensure an abundant and reliable supply for the Nation.
3. Healthy Plant And Animal Communities
  - Grassland, Rangeland, and Forest Ecosystems. Grassland, range, and forest ecosystems are productive, diverse, and resilient.
  - Fish and Wildlife Habitat. Working lands and waters provide habitat for diverse and healthy wildlife, aquatic species, and plant communities.
  - Wetlands. Wetlands protect water quality, reduce flood damages, and provide habitat for migratory birds and other wildlife.
4. Clean Air. Agriculture makes a positive contribution to local air quality and the Nation's efforts to sequester carbon.
5. An Adequate Energy Supply. Agricultural activities conserve energy and agricultural lands are a source of environmentally sustainable biofuels and renewable energy.
6. Working Farm and Ranch Lands. Connected landscapes sustain a viable agriculture and natural resource quality.

The strategic plan's two Management Initiatives describe operational priorities for the Agency:

1. **Ensuring Civil Rights.**
  - **Equal Employment Opportunity.** NRCS is committed to an equal opportunity standard for excellence through a highly skilled workforce that is diverse at all levels and ensures equal access to Agency products and services. NRCS employees value diversity and recognize a culturally diverse workforce as an essential element in providing quality products and services to a varied and changing customer base.
  - **Fair and Equitable Service Delivery.** NRCS employees are committed to providing equitable service to all customers, and providing the products and services in ways best suited to their varied needs.
2. **Improving Internal Management.** Good management of internal business processes and Agency resources is essential to efficient program operations, high-quality customer service, and effective use of the public investment. NRCS leaders and managers will emphasize strategic human capital management, effective use of internet-based technology; efficient management of the Federal investment in conservation, and budget and performance integration to improve the efficiency of Agency operations.

NRCS leadership continues an aggressive effort to ensure effective implementation of the Agency strategic plan. That effort includes:

- Implementation of a strategic plan communications strategy to reach across the Agency, USDA, and other Federal counterparts, as well as to partners, customers, and other entities.
- Definition and prioritization of critical strategic plan implementation needs by Agency leadership.
- Integration of actions that support strategic priorities into FY 2007 business plans at National Headquarters and in States offices.
- Revision of Agency annual performance measures and personnel performance plan metrics to align clearly with strategic plan priorities and ensure a workable approach to report on progress.
- Initiation of a Balanced Scorecard process to measure and report on progress toward strategic plan priorities. The Scorecard will be integrated into the NHQ management system during FY 2007.

#### **Completed and On-going Audits.**

FY 2006 General Accounting Office (GAO) and Office of Inspector General (OIG) completed audits:

- GAO 360644 Final Report issued September, 2006 USDA Funding for EQIP (GAO-06-969) USDA Should Improve Its Process for Allocating Funds to States for EQIP (October, 2005). Statement of Action (SOA) submitted Nov, 2006.
- GAO 360544 Final Report issued May, 2006. Conservation Security Program Costs (06-312) Conservation Security Program: Despite Cost Controls, Improved USDA Management Is Needed to Ensure Proper Payments and Reduce Duplication With Other Programs (February, 2005). SOA submitted May, 2006.
- GAO 360710 No written report. USDA's Implementation of Highly Erodible Cropland and Wetlands Conservation Provisions (May, 2006). Congressional briefing held September, 2006.
- OIG 10601-3-CH Final Report issued June, 2006. Improper Payments – Monitoring the Progress of Corrective Actions for High Risk Programs in NRCS (February, 2006). Audit warranted no formal reporting.
- OIG 10099-3-SF Final Report issued August, 2005. Wetlands Reserve Program – Compensation for Easements (April, 2003). Request for closure on all recommendations (1-20) on August, 2006.
- OIG 10099-5-SF Final Report issued September, 2006. Farm and Ranchlands Protection Program (September, 2005). Completion Plan implemented through the Easements Division.
- OIG 10501-5-FM Report issued July, 2006. NRCS Application Controls –Program Contracts System (ProTracts) (January, 2005). Requesting closure First Quarter, FY 2007.
- OIG 10601-7-TE Report issued March, 2006. NRCS Controls Over Vehicle Maintenance Costs (January, 2005). Completion Plan implemented through Management Services Division.



FY 2006, GAO and OIG started or open audits:

- GAO 360194 Conservation Compliance (April 2002). Handbook in approval/clearance phase.
- GAO 360388 Final Report issued Nov, 2004. (GAO-05-58) USDA Should Improve Its Methods For Estimating Technical Assistance Cost (August, 2003). Request for closure pending final action/receipt of documentation.
- GAO 360649 Coordination of Habitat Programs (GAO-07-35) USDA Conservation Programs Stakeholders Views on Participation and Coordination to Benefit Threatened and Endangered Species and Their Habits (November, 2005). Official draft report issued September, 2006. Agency's Response submitted October, 2006.
- GAO 360749 Coastal Wetlands Protection (October, 2006). Entrance Conference held October, 16, 2006.
- GAO 360771 Impact of USDA Payments and Sodbuster on Grassland Conversions to Cropland (October, 2006). Entrance Conference held October, 2006.
- OIG 10001-1-HY Review Contract Administration at NRCS to Support Hurricane Relief Efforts (January, 2006). In Progress.
- OIG 10099-4-SF Wetlands Reserve Program Restoration Compliance (January, 2006). In Progress.
- OIG 10099-10-KC Homeland Security, NRCS Protection of Federal Assets (April, 2002). For recommendation 1, background investigations are nearly completed and new access cards will be employed October, 2006. Awaiting response and management action status for recommendation 2 to comply with non approval by Office of Chief Financial Officer.
- OIG 10501-1-SF Report issued December, 2004. Water and Climate Information System Review of Application Controls (January, 2004). Closure still pending action/receipt of complete documentation on information technology issues.
- OIG 50501-3-FM Report issued October, 2005. Management and Security over Information Technology Convergence in Common Computing Environment (February, 2005). Completion Plan implemented through Office of Chief Information Officer.
- OIG 50601-10 -Hq Saving the Chesapeake Bay Watershed Requires Better Coordination of Environmental and Agricultural Resources (May, 2005). Official draft report issued September, 2006. Agency response submitted October, 2006.
- OIG 50601-12-KC Hurricane Relief Initiative (NRCS and FSA) (May, 2005). In Progress.
- OIG 50601-15-Te Review of Fiscal Year 2005 Congressional Earmarks (October, 2006). USDA multi-agency audit. Entrance Conference held November, 2006.
- OIG 50801-1-TE Urban Resources Partnership Program (June, 1998). Recommendations 1a and 3b are still pending closure by OIG pending a resolution of disallowed costs. Requesting closure First Quarter FY 2007.
- OIG GSA-060082 Delegations of Authority to Lease Space (September, 2006). GSA-OIG government-wide audit. Entrance conference held November, 2006.

NATURAL RESOURCES CONSERVATION SERVICE  
**Available Funds and Staff-Years**  
**2006 Actual and Estimated 2007 and 2008**

Item	Actual 2006		Estimated 2007		Estimated 2008	
	Amount	Staff Years	Amount	Staff Years	Amount	Staff Years
Conservation Operations.....	\$831,322,000	7,115	\$791,393,000	6,855	\$801,825,000	6,458
Healthy Forests Reserve Program.....	2,475,000	1	2,475,000	1	2,476,000	1
Watershed Surveys & Planning.....	6,022,000	44	6,022,000	43	0	0
Watershed & Flood Prevention Op.....	425,205,000	425	40,000,000	620	0	0
Watershed Rehabilitation Program.....	31,245,000	92	28,559,000	96	5,807,000	35
Resource Conservation & Develop.....	50,787,000	456	50,787,000	454	14,653,000	123
<b>Total, Appropriated Funds.....</b>	<b>1,347,056,000</b>	<b>8,133</b>	<b>919,236,000</b>	<b>8,069</b>	<b>824,761,000</b>	<b>6,617</b>
<b>Carryover Funds:</b>						
Conservation Operations.....	34,076,595	0	28,892,196	0	0	0
Wetlands Reserve Program.....	851,863	0	963,266	0	0	0
Watershed & Flood Prevention Op.....	237,604,551	0	325,379,857	0	0	0
Watershed Rehabilitation Program.....	1,658,662	0	3,078,298	0	0	0
Colorado River Salinity.....	650,765	0	274,126	0	0	0
Water Bank Program.....	607,198	0	643,103	0	0	0
Forestry Incentives Program.....	4,323,509	0	4,386,451	0	0	0
Great Plains Conservation Prog.....	574,877	0	574,657	0	0	0
Resource Conservation & Devel.....	1,447,683	0	1,063,155	0	0	0
<b>Transfer from CCC:</b>						
Wildlife Habitat Incentives.....	4,020,473	0	4,759,150	0	0	0
<b>Total, Available Funds.....</b>	<b>1,632,872,176</b>	<b>8,133</b>	<b>1,289,250,259</b>	<b>8,069</b>	<b>824,761,000</b>	<b>6,617</b>
<b>Obligations under other USDA appropriations:</b>						
Farm Security & Rural Investment Program .....	1,680,483,628	3,055	1,711,509,933	3,571	1,928,212,000	3,307
Reimbursements for technical services to:						
Emergency Conservation Program (FSA).....						
Program (FSA).....	1,726,654	19	2,150,461	24	2,150,461	19
Foreign Details & Assign. (OICD)....	5,984	0	7,448	0	7,448	0
Soil Survey (FS).....	200,951	4	209,133	4	209,133	4
Accelerate Soil Survey.....	174,388	2	181,042	2	181,042	2
Other Planning & Application.....	78,663,529	730	81,846,254	701	59,846,254	485
PMC Operations.....	79,017	1	60,300	1	60,300	1
Reimbursements for other services:						
Facilities: Rent, phone, utilities, etc..	9,302,082	0	11,194,725	0	11,194,725	0
Miscellaneous.....	43,060	3	359,746	0	334,746	0
<b>Total, Other USDA Approp.....</b>	<b>1,770,679,293</b>	<b>3,814</b>	<b>1,807,519,042</b>	<b>4,303</b>	<b>2,002,196,109</b>	<b>3,818</b>
<b>Total, Agriculture Appropriations.....</b>	<b>3,403,551,469</b>	<b>11,947</b>	<b>3,096,769,301</b>	<b>12,372</b>	<b>2,826,957,109</b>	<b>10,435</b>

NATURAL RESOURCES CONSERVATION SERVICE  
**Available Funds and Staff-Years**  
**2006 Actual and Estimated 2007 and 2008**  
(Continued)

Item	Actual 2006		Estimated 2007		Estimated 2008	
	Amount	Staff Years	Amount	Staff Years	Amount	Staff Years
<b>Other Federal Funds:</b>						
Reimbursement for technical services for:						
Soil surveys (Interior).....	\$400,854	5	\$416,149	5	\$416,149	5
Accelerate Soil Survey.....	2,959,305	33	3,072,169	37	3,072,169	37
Other: planning & application.....	9,092,775	88	9,830,847	76	6,630,847	46
Snow Survey & Water Forecast.....	0	15	0	12	0	0
Plant Materials Center Operations....	1,243,760	0	1,012,600	0	1,012,600	12
Bureau of Land Management.....	0	0	0	0	0	0
Reimbursement for other services:						
Facilities: Rent, phone, utilities, etc...	282,442	0	335,057	0	335,057	0
Cartographic job work.....	-13,417	0	0	0	0	0
Proceeds of sales.....	0	0	0	0	0	0
Financial assistance.....	10,291,771	0	10,515,344	0	5,415,344	0
Miscellaneous.....	1,708,633	9	1,524,231	4	623,231	2
Rural Abandoned Mine Program (DOI-OSM).....						
	0	0	0	0	0	0
<b>Total, Other Federal Funds.....</b>	<b>25,966,123</b>	<b>150</b>	<b>26,706,397</b>	<b>134</b>	<b>17,505,397</b>	<b>102</b>
<b>Non-Federal Funds:</b>						
Reimbursement for technical services for:						
Planning & application.....	4,822,654	48	5,102,614	45	4,972,614	38
Accelerate Soil Surveys.....	2,298,949	31	2,363,378	28	2,363,378	28
Snow Survey & Water Forecast.....	0	0	0	0	0	0
Plant Materials Center Operations....	86,781	0	65,376	0	65,376	0
Cartographic job work.....	-7,457	0	0	0	0	0
A&E Contracting.....	25,000	0	25,000	0	0	0
Reimbursement for other non-Federal services:						
Facilities: Rent, phone, utilities, etc...	1,237,716	0	1,543,519	0	1,543,519	0
Proceeds of sales.....	0	0	0	0	0	0
Financial assistance.....	17,456,691	0	17,926,746	0	1,826,746	0
Miscellaneous.....	687,725	4	557,861	4	338,861	1
Trust funds.....	4,493,103	1	2,830,200	1	270,000	1
<b>Total, Non Federal Funds.....</b>	<b>31,101,162</b>	<b>84</b>	<b>30,414,694</b>	<b>78</b>	<b>11,380,494</b>	<b>68</b>
<b>Total, NRCS.....</b>	<b>3,460,618,754</b>	<b>12,181</b>	<b>3,153,890,392</b>	<b>12,584</b>	<b>2,855,843,000</b>	<b>10,605</b>

**NATURAL RESOURCES CONSERVATION SERVICE**  
**Permanent Positions by Grade and Staff-Year Summary**  
**2006 Actual and Estimated 2007 and 2008**

GRADE	2006			2007			2008		
	HDQ	FIELD	TOTAL	HDQ	FIELD	TOTAL	HDQ	FIELD	TOTAL
Senior Executive Service..	28	2	30	25	2	27	25	2	27
	:	:	:	:	:	:	:	:	:
GS-15 .....	77	64	141	69	58	127	69	57	126
GS-14 .....	122	171	293	110	154	264	110	154	264
GS-13 .....	95	517	612	85	466	551	85	464	549
GS-12 .....	35	3,113	3,148	32	2,801	2,833	31	2,796	2,827
GS-11 .....	30	2,676	2,706	27	2,408	2,435	27	2,404	2,431
GS-10 .....	2	28	30	2	25	27	2	25	27
GS-9 .....	43	1,659	1,702	39	1,493	1,532	39	1,490	1,529
GS-8 .....	20	488	508	18	439	457	18	438	456
GS-7 .....	16	1,515	1,531	14	1,364	1,378	14	1,361	1,375
GS-6 .....	7	445	452	6	401	407	6	400	406
GS-5 .....	2	324	326	2	291	293	2	291	293
GS-4 .....	3	147	150	3	132	135	3	132	135
GS-3 .....	0	53	53	0	48	48	0	48	48
GS-2 .....	0	13	13	0	12	12	0	12	12
GS-1 .....	0	0	0	0	0	0	0	0	0
Other Graded Positions	0	0	0	0	0	0	0	0	0
Ungraded Positions	0	0	0	0	0	0	0	0	0
Total Permanent Positions	480	11,215	11,695	432	10,094	10,526	431	10,074	10,505
Unfilled Positions, end-of-year	54	119	173	0	0	0	0	0	0
Total, Permanent Employment, end-of-year	426	11,096	11,522	432	10,094	10,526	431	10,074	10,505
Staff-Year Estimate	500	11,681	12,181	516	12,068	12,584	435	10,170	10,605

**NATURAL RESOURCES CONSERVATION SERVICE**  
**Size, Composition and Cost of Motor Vehicle Fleet**

Travel by most field NRCS employees require a high degree of mobility with frequent stops at field offices, job sites (farms and ranches), and other areas where common carrier transportation is non-existent, uneconomical, or inadequate. Employees require pickup trucks and sport utility vehicles (SUV) to drive on agricultural land to provide technical assistance to farmers and ranchers, and to transport large engineering and other field equipment. NRCS vehicles are distributed among field, area, and state offices in the 50 States, Caribbean and Pacific Basin. NRCS has no vehicles in Washington, D.C. Passenger vehicles are assigned to an office location. Several employees use a single vehicle, maximizing its use and minimizing the number of vehicles at a location.

NRCS requires annual vehicle inspections and certification to ensure that vehicles are safe and reliable. NRCS policy for the replacement of motor vehicles is based on economy and safety. Industry standards and experience indicate that it is economical and safe to operate vehicles beyond the minimum standards set forth in FMR 102-34.280; GSA leased vehicles are replaced based on FMR. NRCS maximizes purchases of Alternative Fuel Vehicles.

Changes to the motor vehicle fleet. At the end of FY 2006, the NRCS had 1,202 passenger vehicles in a fleet of 10,640 sedans, station wagons, vans, SUVs, and trucks. The fleet size is 313 vehicles less than FY 2005. NRCS has a GSA-leased fleet of 498 vehicles that includes 182 passenger vehicles. NRCS anticipates a decrease 243 vehicles in the fleet in FY 2007.

Replacement of Agency-Owned Passenger Motor Vehicles. In FY 2007, NRCS will dispose of 256 passenger vehicles that meet replacement criteria and buy 211.

Impediments to managing the motor vehicle fleet. Alternative fuel is not available at many rural, remote NRCS field locations. NRCS continues to purchase alternative fuel vehicles and to use alternative fuel as it becomes available at field locations. High fuel costs continue to be an impediment for managing the motor vehicle fleet in the most cost effective manner.

**Size, Composition, and Annual Cost**  
**(in thousands of dollars)**

Fiscal Year	Number of Vehicles by Type <sup>1</sup>							Total Vehicles	Annual Operating Costs
	Sedans & Station Wagons	Light Trucks, SUV, Vans		Medium Trucks	Heavy Trucks	Ambulances	Buses		
		4X2	4X4						
2005 <sup>2</sup>	1,431	6,127	3,395	0	0	0	0	10,953	\$16,588
Change	-391	+779	+149	0	0	0	0	+537	+4,429
2006	1,202	4,796	3,809	798	35	0	0	10,640	\$11,084
Change	-229	-1,331	+414	+798	+35	0	0	-313	-5,504
2007	1,157	4,667	3,739	797	37	0	0	10,397	\$10,000
Change	-45	-129	-70	-1	+2	0	0	-243	-1,084
2008	1,157	4,582	3,794	771	40	0	0	10,344	\$9,929
Change	+0	-85	+55	-26	+3	0	0	-53	-71

<sup>1</sup> Numbers include agency-owned and GSA-leased vehicles. NRCS does not have any commercial leased vehicles.

<sup>2</sup> Medium and heavy truck types were not reported in FY 2005. Increase in operating costs due to increased fuel prices.

NATURAL RESOURCES CONSERVATION SERVICE  
Conservation Operations

The estimates include appropriation language for this item as follows:

Conservation Operations

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures for soil and water management as may be necessary to prevent floods and the siltation of reservoirs and to control agricultural related pollutants); operation of conservation plant materials centers; classification and mapping of soil; dissemination of information; acquisition of lands, water and interests therein for use in the plant materials program by donation, exchange, or purchase at a nominal cost not to exceed \$100 pursuant to the Act of August 3, 1956 (7 U.S.C. 428a); purchase and erection or alteration or improvement of permanent and temporary buildings; and operation and maintenance of aircraft, \$801,825,000 to remain available until June 30, 2009, of which not less than \$10,760,000 is for snow survey and water forecasting, and not less than \$10,858,000 is for operation and establishment of the plant materials centers, and of which not less than \$10,000,000 shall be for the grazing lands conservation initiative: Provided, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for construction and improvement of buildings and public improvements at plant materials centers, except that the cost of alterations and improvements to other buildings and other public improvements shall not exceed \$250,000: Provided further, That when buildings or other structures are erected on non-Federal land, that the right to use such land is obtained as provided in 7 U.S.C. 2250a: Provided further, that this appropriation shall be available for technical assistance and related expenses to carry out programs authorized by section 202(c) of title II of the Colorado River Basin Salinity Control Act of 1974, (43 U.S.C. 1592(c)): Provided further, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the Service.

NATURAL RESOURCES CONSERVATION SERVICE  
Conservation Operations

Estimate, 2007.....	\$791,393,000 <sup>a/</sup>
Budget Estimate, 2008 .....	<u>801,825,000</u>
Increase in Appropriation .....	<u>+10,432,000</u>

<sup>a/</sup> Includes \$198,000 for a grant to Alaska Village Initiatives contained in General Provision 766 in the P.L. 109-97.

**Summary of Increases and Decreases**  
(On basis of appropriation)

<u>Item of Change</u>	2007			2008
	Estimated	Pay Costs	Other Changes	Estimated
Conservation Operations:				
1. Conservation Technical Assistance.....	\$656,545,000	+\$23,118,000	-\$810,000	\$678,853,000
2. Grazing Lands Conservation Initiative.....	27,225,000	--	-17,225,000	10,000,000
3. Soil Survey.....	86,462,000	+3,445,000	+1,447,000	91,354,000
4. Snow Survey & Water Supply Forecasting.	10,588,000	+296,000	-124,000	10,760,000
5. Plant Materials Centers.....	10,573,000	+337,000	- 52,000	10,858,000
Total Available.....	<u>\$791,393,000</u>	<u>+\$27,196,000</u>	<u>-\$16,764,000</u>	<u>\$801,825,000</u>

NATURAL RESOURCES CONSERVATION SERVICE  
Conservation Operations

**Project Statement**  
**(On basis of appropriation)**

	<u>2006 Actual</u>		<u>2007 Estimated</u>		Increase or Decrease	<u>2008 Estimated</u>	
	Amount:	Staff: Years:	Amount:	Staff: Years:		Amount :	Staff Years
<b>Conservation Operations:</b>							
1. Technical Assistance .....	\$695,843,000:	5,907:	\$656,545,000:	5,644:	+\$22,308,000(1):	\$678,853,000:	5,413
2. Grazing Lands .....	27,225,000:	231:	27,225,000:	226:	-17,225,000 :	10,000,000:	83
3. Soil Surveys .....	87,268,000:	810:	86,462,000:	808:	+4,892,000(2):	91,354,000:	808
4. Snow Surveys .....	10,544,000:	66:	10,588,000:	65:	+172,000(3):	10,760,000:	61
5. Plant Materials .....	10,442,000:	101:	10,573,000:	112:	+285,000(4):	10,858,000:	93
Total, Available .....	\$831,322,000:	7,115:	\$791,393,000:	6,855:	\$10,432,000 :	\$801,825,000:	6,458
Transfer from Congressional Relations .....	:	:	:	:	:	:	:
Rescission .....	-148,000:	--:	--:	--:	:	:	:
Total, Appropriation .....	\$839,569,200:	--:	\$791,393,000:	--:	:	:	:

**Project Statement**  
**(On basis of available funds)**

	<u>2006 Actual</u>		<u>2007 Estimated</u>		Increase or Decrease	<u>2008 Estimated</u>	
	Amount :	Staff: Years:	Amount :	Staff: Years:		Amount :	Staff Years
<b>Conservation Operations:</b>							
1. Technical Assistance .....	\$699,679,036:	5,907:	\$680,459,916:	5,644:	-1,606,916:	\$678,853,000:	5,413
2. Grazing Lands .....	27,225,000:	231:	27,225,000:	226:	-17,225,000:	10,000,000:	83
3. Soil Surveys .....	87,729,254:	810:	89,158,858:	808:	+2,195,142:	91,354,000:	808
4. Snow Surveys .....	10,805,518:	66:	11,149,573:	65:	-389,573:	10,760,000:	61
5. Plant Materials .....	11,067,591:	101:	12,291,849:	112:	-1,433,849:	10,858,000:	93
Total, Direct Obligations	836,506,399:	7,115:	820,285,196:	6,855:	-18,460,196:	801,825,000:	6,458
Unobligated Bal. Brought Fwd.	(-9,534,000)	--:	(-28,892,196)	--:	(+28,892,196)	--:	--
Prior Year Recoveries .....	(-24,542,595)	--:	--:	--:	-- :	--:	--
Unobligated. Bal. Carried Fwd..	(+28,892,196)	--:	--:	--:	-- :	--:	--
Adjusted Appropriation .....	(831,322,000)	--:	(791,393,000)	--:	(+10,432,000)	(801,825,000)	--
<b>Reimbursable Obligations:</b>							
Conservation Tech. Assist	28,102,292:	103:	35,000,000:	126:	--:	35,000,000:	106
Soil Surveys .....	6,742,720:	79:	7,000,000:	78:	--:	7,000,000:	78
Snow Survey & Water .....	:	:	:	:	:	:	:
Supply Forecasting .....	560,743:	2:	600,000:	2:	--:	600,000:	2
Plant Materials Centers .....	1,723,255:	20:	1,400,000:	15:	--:	1,400,000:	15
Total Reimbursable Oblig .....	37,129,010:	204:	44,000,000:	221:	--:	44,000,000:	201
Obligational Authority .....	\$873,635,409:	7,319:	\$864,285,196:	7,076:	-\$18,460,196:	\$845,825,000:	6,659



**Justification of Increases and Decreases**

(1) A net increase of \$5,083,000 for Conservation Technical Assistance (\$683,770,000 available in 2007):

- a) An increase of \$23,118,000 in Conservation Technical Assistance to fund pay cost of which \$12,534,000 is for 2008 and \$10,584,000 is for 2007 pay costs.

The increase for pay will enable NRCS to maintain current staffing levels which are critical to the Agency's objective of providing adequate levels of conservation technical assistance to farmers and protecting the natural resource base on private lands. It will also protect the vital conservation partnership that has been developed over many years with cooperating Federal, state, and local agencies that have made serious commitments and investments to the conservation effort. The increased pay cost funds are needed to avoid any disruption or delays in the Conservation Technical Assistance program activities and will be used to pay the increased salaries and benefits costs for the 5,496 FTE's funded in Conservation Technical Assistance in the FY 2008 budget request.

- b) An increase of \$1,000,000 in Conservation Technical Assistance for a stand-alone financial audit of the Agency's financial operations.

This increase enables the Agency to conduct a stand-alone financial audit of the Agency's financial operations.

- c) An increase of \$20,000,000 in Conservation Technical Assistance for activities previously funded through the Common Computer Environment (CCE) account.

These funds will allow NRCS to meet several significant CCE requirements: the conversion of wide area networks to the USDA Universal Telecommunications Network solution; migration of all of NRCS' core business applications to the two USDA hosting locations; and remedy material, security weaknesses in the CCE infrastructure that were surfaced by audits. The funding will allow NRCS to acquire updated geospatial data needed to support the Agency's conservation program delivery. The funds will result in better equipped mobile workers and private sector technical service providers, as well as customers better able to use self-serve applications through revisions to the CCE technical architecture.

- d) A decrease of \$31,810,000 in Conservation Technical Assistance for program activities.

In FY 2006, Congress included over \$126 million of Congressional earmarks in the Conservation Operations programs. This decrease in funding is to reflect the realignment of the Administration's priorities, which reduces congressional earmarks in the Conservation Technical Assistance (CTA) account to enable the Agency to direct more funding to higher priority activities within the CTA account. CTA provides help to people through technical assistance on private lands and protects the Nation's natural resources base by using science-based technology. In addition, the CTA account provides the necessary funding for NRCS' management activities; resource assessments at the local, regional, and national levels; conservation technology development; and conservation standards development.

- e) A decrease of \$17,225,000 in Conservation Technical Assistance for the Grazing Lands Conservation Initiative.

This decrease reflects the realignment of the administration's priorities. The Agency will however, fund a \$10 million competitive grants program that funds cooperative and cost-effective strategies to address invasive species on grazing lands. In addition, the Agency continues to maintain and improve the management, productivity, and health of the Nation's privately owned grazing lands

through ongoing activities within the Conservation Technical Assistance program and the Environmental Quality Incentives program. These initiatives assure the sustainability of private grazing lands and enhance these lands for future use.

- f) An increase of \$10,000,000 in Conservation Technical Assistance funding for development and application of new comprehensive nutrient management plans for livestock operations.

An increase of \$10 million in Conservation Technical Assistance funding to accelerate the development and application of new comprehensive nutrient management plans (CNMP's). With the adoption by the Environmental Protection Agency (EPA) of a revised final rule governing Concentrated Animal Feeding Operations (CAFO's), owners and operators of large livestock and poultry operations must now develop and implement a nutrient management plan as a permit requirement. Based on EPA estimates, more than 15,000 CAFO's are subject to this new permitting requirement which has greatly increased demand for technical assistance to develop CNMP's.

- 2) An increase of \$4,892,000 for Soil Survey Program (\$86,462,000 available in 2007):

- a) An increase of \$3,445,000 in Soil Surveys to fund pay costs of which \$1,840,000 is for 2008 and \$1,605,000 is for 2007 pay costs.

The increase for pay will enable NRCS to maintain current staffing levels which are critical to the Agency's objective of providing adequate levels of conservation technical assistance to farmers and protecting the natural resource base on private lands. It will also protect the vital conservation partnership that has been developed over many years with cooperating Federal, state, and local agencies that have made serious commitments and investments to the conservation effort. The increased pay cost funds are needed to avoid any disruption or delays in the Soil Surveys program activities and will be used to pay the increased salaries and benefits costs for the 808 FTE's funded in Soil Surveys in the FY 2008 budget request.

- b) An increase of \$1,447,000 in Soil Surveys for program activities.

The increase enables the Agency to continue to effectively design and produce soil survey information for the local planning and management of natural resources.

- 3) An increase of \$172,000 for Snow Surveys and Water Supply Forecasting (\$10,588,000 available in 2007):

- a) An increase of \$296,000 in Snow Surveys and Water Supply Forecasting to fund pay costs of which \$142,000 is for 2008 and \$154,000 is for pay costs.

The increase for pay will enable NRCS to maintain current staffing levels which are critical to the Agency's objective of providing adequate levels of conservation technical assistance to farmers and protecting the natural resource base on private lands. It will also protect the vital conservation partnership that has been developed over many years with cooperating Federal, state, and local agencies that have made serious commitments and investments to the conservation effort. The increased pay cost funds are needed to avoid any disruption or delays in the Snow Survey and Water Supply Forecasting program activities and will be used to pay the increased salaries and benefits costs for the 61 FTE's funded in Snow Survey and Water Supply Forecasting in the FY 2008 budget request.

b) A decrease \$124,000 in Snow Surveys and Water Supply Forecasting program activities.

This decrease in funding reflects a slight realignment of the Administration's priorities but will not seriously affect NRCS' use of electronic automated data collection equipment at remote SNOTEL sites or the seasonal water supply forecasting.

4) An increase of \$285,000 for Plant Materials Program (\$10,573,000 available in 2007):

a) An increase of \$337,000 in Plant Materials Center Program to fund pay costs of which \$186,000 is for 2008 and \$151,000 is for 2007 pay costs.

The increase for pay will enable NRCS to maintain current staffing levels which are critical to the Agency's objective of providing adequate levels of conservation technical assistance to farmers and protecting the natural resource base on private lands. It will also protect the vital conservation partnership that has been developed over many years with cooperating Federal, state, and local agencies that have made serious commitments and investments to the conservation effort. The increased pay cost funds are needed to avoid any disruption or delays in the Plant Materials Center program activities and will be used to pay the increased salaries and benefits costs for the 93 FTE's funded in Plant Materials Center in the FY 2008 budget request.

b) A decrease of \$52,000 in operating costs in Plant Material Centers program activities.

This decrease in funding will enable the Administration to divert limited resources to other conservation problems without seriously impacting NRCS' ability to assemble, test and encourage increased use of plant species.

NATURAL RESOURCES CONSERVATION SERVICE  
Conservation Operations

Geographic Breakdown of Obligations and Staff Years  
2006 Actual and Estimated 2007 and 2008

	2006		2007		2008	
	Amount	Staff Years	Amount	Staff Years	Amount	Staff Years
Alabama.....	\$12,759,068	120	\$12,511,649	116	\$12,230,100	109
Alaska.....	8,125,699	36	7,968,129	34	7,788,800	32
Arizona.....	7,150,763	72	7,012,098	70	6,854,300	66
Arkansas.....	12,350,563	144	12,111,066	139	11,838,500	131
California.....	22,140,644	185	21,711,301	178	21,222,700	168
Colorado.....	17,511,125	169	17,171,556	163	16,785,100	153
Connecticut.....	3,394,931	25	3,329,098	24	3,254,200	23
Delaware.....	2,349,059	25	2,303,507	24	2,251,700	23
Florida.....	13,474,381	91	13,213,091	88	12,915,700	83
Georgia.....	17,511,434	156	17,171,859	150	16,785,400	141
Hawaii.....	5,681,833	47	5,571,653	45	5,446,300	42
Idaho.....	11,908,040	109	11,677,124	105	11,414,300	99
Illinois.....	17,837,267	181	17,491,374	174	17,097,700	164
Indiana.....	12,290,074	140	12,051,750	135	11,780,500	127
Iowa.....	25,871,651	263	25,369,958	253	24,799,000	239
Kansas.....	21,892,555	241	21,468,023	232	20,984,900	219

NATURAL RESOURCES CONSERVATION SERVICE  
Conservation Operations

**Geographic Breakdown of Obligations and Staff Years  
2006 Actual and Estimated 2007 and 2008**

	2006		2007		2008	
	Amount	Staff Years	Amount	Staff Years	Amount	Staff Years
Kentucky.....	16,756,313	169	16,431,381	163	16,061,600	153
Louisiana .....	11,218,739	116	11,001,190	112	10,753,600	105
Maine.....	4,938,642	54	4,842,874	52	4,733,900	49
Maryland.....	7,353,633	58	7,211,034	55	7,048,800	52
Massachusetts .....	3,971,532	35	3,894,518	33	3,806,900	32
Michigan.....	12,809,219	136	12,560,828	131	12,278,200	123
Minnesota .....	15,700,917	180	15,396,451	173	15,050,000	163
Mississippi.....	27,988,394	201	27,445,654	194	26,828,000	183
Missouri.....	21,472,640	233	21,056,251	225	20,582,400	212
Montana .....	18,870,783	229	18,504,848	221	18,088,400	208
Nebraska .....	16,850,129	191	16,523,378	184	16,151,500	174
Nevada.....	5,782,086	48	5,669,962	46	5,542,400	43
New Hampshire.....	2,489,006	28	2,440,740	27	2,385,800	25
New Jersey.....	5,046,832	47	4,948,966	45	4,837,600	42
New Mexico .....	9,625,692	98	9,439,034	95	9,226,600	89
New York .....	13,389,665	125	13,130,018	120	12,834,500	113
North Carolina .....	11,915,893	126	11,684,825	121	11,421,900	114
North Dakota .....	14,507,968	150	14,226,635	144	13,906,500	136
Ohio .....	15,981,173	138	15,671,272	133	15,318,600	125
Oklahoma .....	17,184,843	196	16,851,601	189	16,472,400	178
Oregon.....	12,466,293	117	12,224,552	113	11,949,400	106
Pacific Basin.....	2,073,667	24	2,033,456	23	1,987,700	22
Pennsylvania.....	10,914,900	135	10,703,243	130	10,462,400	122
Puerto Rico .....	3,588,748	39	3,519,157	37	3,440,000	35
Rhode Island.....	1,349,601	15	1,323,430	14	1,293,600	14
South Carolina .....	8,626,226	90	8,458,950	87	8,268,600	82
South Dakota .....	13,089,676	144	12,835,846	139	12,547,000	131
Tennessee .....	12,750,040	137	12,502,796	132	12,221,400	124
Texas.....	46,267,928	459	45,370,719	443	44,349,700	417
Utah .....	16,104,782	69	15,792,484	67	15,437,100	63
Vermont.....	3,980,965	37	3,903,768	35	3,815,900	33
Virginia.....	10,923,361	114	10,711,539	110	10,470,500	104
Washington.....	12,341,167	121	12,101,852	117	11,829,500	110
West Virginia.....	11,218,000	119	11,000,465	115	10,752,900	108
Wisconsin .....	17,334,516	161	16,998,372	155	16,615,800	146
Wyoming .....	9,065,353	93	8,889,561	90	8,689,500	85
National Hdqtr .....	115,425,309	324	113,187,025	312	110,639,700	296
National Centers .....	47,808,685	279	46,881,598	269	45,826,500	253
Nat. Tech. Sup. Cent.....	15,073,996	76	14,781,687	74	14,449,000	69
Total Obligations/Est. ....	<u>836,506,399</u>	<u>7,115</u>	<u>820,285,196</u>	<u>6,855</u>	<u>801,825,000</u>	<u>6,458</u>

NATURAL RESOURCE CONSERVATION SERVICE  
Conservation Operations

**Classification by Objects**  
**2006 Actual and Estimated 2007 and 2008**

Personnel Compensation:	<u>2006</u>	<u>2007</u>	<u>2008</u>
Washington, D.C. ....	\$29,183,017	\$29,387,000	\$28,492,000
Field.....	<u>398,960,409</u>	<u>390,424,000</u>	<u>378,532,000</u>
11 Total personnel compensation .....	428,143,426	419,811,000	407,024,000
12 Personnel benefits .....	118,569,079	116,229,000	112,650,000
13 Benefits for former personnel .....	-8,724	--	--
Total Pers. Comp. & Benefits .....	<u>546,703,781</u>	<u>536,040,000</u>	<u>519,674,000</u>
 Other Objects:			
21 Travel.....	13,516,466	13,311,000	12,406,000
22 Transportation of things .....	4,858,179	4,764,000	4,402,000
23.1 Rent payments to GSA.....	--	--	--
23.2 Rental payments to others .....	22,297,807	21,875,000	20,242,000
23.3 Communications, utilities, and misc. charges.....	13,113,243	12,878,000	11,895,000
24 Printing and reproduction.....	2,554,233	2,519,000	2,366,000
25.1 Advisory and assistance services ....	--	--	--
25.2 Other services .....	202,662,736	198,583,196	182,736,000
25.2 Construction contracts .....	--	--	--
26 Supplies and materials .....	12,924,063	12,727,000	11,791,000
31 Equipment.....	16,689,355	16,461,000	35,278,000
32 Land and structures .....	400,685	406,000	372,000
41 Grants.....	--	--	--
42 Insurance and loans.....	661,951	600,000	552,000
43 Interest and dividends .....	123,900	121,000	111,000
44 Refunds .....	--	--	--
Total other objects.....	<u>289,802,618</u>	<u>284,245,196</u>	<u>282,151,000</u>
Total, direct obligations.....	<u>836,506,399</u>	<u>820,285,196</u>	<u>801,825,000</u>

Position Data:

Average Salary, ES positions	\$146,782	\$151,185	\$154,511
Average Salary, GS positions	\$57,579	\$59,306	\$60,611
Average Grade, GS positions	9.6	9.6	9.6

**NATURAL RESOURCES CONSERVATION SERVICE  
CONSERVATION OPERATIONS ACCOUNT  
STATUS OF PROGRAMS**

**Conservation Operations** is authorized by the Soil Conservation and Domestic Allotment Act of 1935, P.L. 74-46 (16 U.S.C. 590a-590f) and the Soil and Water Resources Conservation Act of 1977, (16 U.S.C. 2001-2009). The purpose of Conservation Operations is to provide technical assistance supported by science-based technology and tools that help people conserve, maintain, and improve the Nation's natural resources.

Conservation Technical Assistance Program is the major delivery program within the Conservation Operations account. In addition, the account includes three other programs: Soil Surveys; Snow Survey and Water Supply Forecasting; and Plant Materials Centers. Funding in this account provides for the development and delivery of a major portion of the products and services associated with four of the Agency's five business lines: 1) Conservation Planning and Technical Consultation, 2) Conservation Implementation, 3) Natural Resource Inventory and Assessment, and 4) Natural Resource Technology Transfer. The fifth business line (Financial Assistance) is funded primarily through other programs.

**Agency Strategic Plan.** In FY 2006, NRCS completed a new strategic plan, which describes long-term goals and objectives that NRCS will help customers and partners achieve by 2010, and the strategies that will ensure NRCS efforts are effective. The strategic planning process assessed long-term trends and ensured that Agency activities will contribute to sustaining natural resources in the coming decades.

The new strategic plan includes six Mission Goals, developed with input and advice from partners and stakeholders. Mission Goals articulate in broad terms the benefits that the Nation expects to derive from NRCS activities and programs. Taken together, the goals describe the landscape that Americans want:

- |   |                                 |
|---|---------------------------------|
| 1. High Quality, Productive Soils       | 4. Clean Air                    |
| 2. Clean and Abundant Water             | 5. An Adequate Energy Supply    |
| 3. Healthy Plant and Animal Communities | 6. Working Farm and Ranch Lands |

The first three goals are "Foundation Goals." They address the land uses and resource concerns that have been the primary focus of Agency activities throughout its existence and continue to be the foundation of a healthy landscape. For each of these goals, a specific, measurable objective is established for 2010. Annual performance measures that can be used to monitor progress toward the long-term objective are identified for each program, including the components of Conservation Operations. Annual targets will be set for each performance measure and used to justify budget requests. The last three goals are "Venture Goals" that address resource issues that are growing in importance as a result of current economic and demographic trends. Targets for some Venture Goal objectives will be added to the plan when analytical efforts now underway provide an adequate basis for documenting Agency performance.

The new strategic plan emphasizes overarching strategies for meeting natural resource goals and objectives. These strategies are cooperative conservation, watershed-based assistance, and the market-based approach. Conservation Operations provides the foundation for each of these strategies.

**CONSERVATION TECHNICAL ASSISTANCE**

**Current Activities**

**Purpose.** The broad purpose of the Conservation Technical Assistance (CTA) Program is to help private landowners, conservation districts, Tribes and other organizations by providing technical assistance through a national network of locally respected, technically skilled, professional conservationists. These conservationists deliver consistent, science-based, site-specific solutions to help private landowners conserve, maintain, and improve the Nation's natural resource base. The CTA Program provides the

essential building blocks necessary for NRCS to assist farmers, ranchers, other landowners, local groups, Tribes, and local governments to plan and implement natural resource conservation systems.

Agriculture and the quality of America's soil and water resources are vital to the Nation's welfare. Approximately 1.5 billion acres (79 percent of the total acres within the contiguous United States) are non-Federal land. Approximately 90 percent of these acres are cropland, rangeland, pastureland, and private non-industrial forestland. The care and health of these lands are in the hands of private individuals. NRCS and its partners cooperate in collective efforts to get conservation on the ground, help conserve the landscape, increase agricultural productivity, improve the environment, and strengthen the quality of life.

The Nation's natural resources are impacted by many factors including:

- Federal, State, and local regulations and ordinances on environmental quality that place new requirements on landowners and land users.
- Growth and prosperity in non-agricultural sectors of the economy, which lead to the expansion of developed areas.
- Weather extremes such as drought, flooding, hurricanes, and wildfires, which continue to cause substantial damage to soil, water, and other natural resources.

**National CTA Program Priorities.** The following were FY 2006 National CTA Program priorities:

- Reduction in soil erosion and sedimentation from unacceptable levels on agricultural land;
- Comprehensive Nutrient Management Plans (CNMP) to assist the owners and operators of animal feeding operations to address their conservation needs, with an emphasis on helping those owners and operators who need to comply under the Environmental Protection Agency's (EPA) Concentrated Animal Feeding Operation (CAFO) rule;
- Reduction of nonpoint source pollution nutrients, sediment, pesticides, or excess salinity in impaired watersheds consistent with Total Maximum Daily Loads as well as the reduction of groundwater contamination and reduction of point sources such as contamination from confined animal feeding operations;
- Conservation of (the quantity of) ground and surface water resources;
- Reduction of emissions particulate matter, nitrogen oxides (NO<sub>x</sub>), volatile organic compounds, and ozone precursors and depleters that contribute to air quality impairment violations of National Ambient Air Quality Standards; and
- Promotion of at-risk species habitat conservation.

**Demand for CTA Program-delivered Products and Services.** The demand for the CTA Program has increased substantially over the years as a result of the:

- Fostering of new technologies and conservation practices to address emerging challenges such as nutrient management for animal feeding operations to improve water quality.
- Design of conservation systems to reduce the risk of climatic events such as improved irrigation management to mitigate effects of drought.
- Increased awareness and concern for natural resources has broadened the Agency's customer base as NRCS addresses growing niche enterprises (aquaculture, sustainable and organic farming, etc).
- Growing list of new customers such as Tribal governments, local communities, technical service providers, and non-government organizations who request NRCS expertise and assistance.
- Improvement and establishment of wetlands and wildlife habitat to address declining populations of fish and wildlife.
- Increased requests for financial assistance programs and the need for pre-program conservation planning support for the Emergency Watershed Protection (EWP) and Commodity Credit Corporation (CCC)-funded Farm Bill programs such as Klamath River Basin, Ground and Surface Water (GSW), Environmental Quality Incentives Program (EQIP), Conservation Security Program (CSP), Wildlife Habitat Improvement Program (WHIP), Agricultural Management Assistance Program (AMA), and the Conservation Reserve Program (CRP).

To meet this demand and program priorities, the CTA Program supports the development and delivery of products and services to NRCS customers associated with the following four major Agency business lines:

- Conservation Planning and Technical Consultations. NRCS provides data, information, or technical expertise that helps customers collect and analyze information to identify natural resource programs and opportunities, clarify their objectives, and formulate and evaluate alternatives.
- Conservation Implementation. NRCS helps customers install natural resource conservation practices and systems that meet established technical standards and specifications.
- Natural Resources Inventory and Assessment. NRCS assesses, acquires, develops, interprets, and delivers natural resource data and information to enable knowledge-based planning and decision making at all landscape scales.
- Natural Resource Technology Transfer. NRCS develops, documents, and distributes a wide array of technology pertaining to resources assessment, conservation planning and conservation system installation and evaluation.

**Conservation on the Ground.** In FY 2006, the CTA Program was the major source of technical assistance to customers for planning and applying conservation practices and systems to protect and enhance natural resources on non-Federal land. These conservation actions deliver public benefits in the form of better soil quality, reduced delivery of sediment and nutrients to surface and ground waters, increased conservation of water supplies, healthier grazing and forest land ecosystems, diverse and healthier wildlife habitat, and improved wetlands condition and function. In FY 2006, the CTA Program helped meet the three NRCS Foundation Goals in the following ways:

High Quality, Productive Soils. Helping people ensure the quality of intensively worked soils is maintained or enhanced to enable sustained production of a safe, healthy and abundant food supply.

- Conservation plans for cropland written, acres: 17.2 million
- Reduction in the acreage of cropland soils damaged by erosion (from eroding at greater than tolerable levels prior to treatment to eroding at or below tolerable levels after treatment), acres: 5.8 million
- Soil erosion reduced, tons/year: 75 million
- Soil Survey Geographic Data Base (SSURGO) certified digital soil surveys made available, acres: 168.7 million
- SSURGO certified digital soil surveys made available, number 351

Clean and Abundant Water. Helping people ensure that the quality of surface waters and groundwater is improved and maintained to protect human health, support a healthy environment, and encourage a productive landscape; and that water is conserved and protected to ensure an abundant and reliable supply for the Nation.

- CNMP written, number: 3,229
- CNMP applied, number: 2,245
- Watershed or area-wide conservation plans developed for water- or air-quality, number: 208
- Irrigation efficiency improved, acre-feet: 423,223
- Watershed or area-wide resource plans, studies, or inventories for water conservation or water supply, number: 77
- Watershed or area-wide resource plans, studies, or inventories for flood prevention or mitigation, number: 35

Healthy Plant and Animal Communities. Helping people ensure that grassland, rangeland, and forest ecosystems are productive, diverse, and resilient; that working lands and waters provide habitat for diverse and healthy wildlife, aquatic species, and plant communities; that wetlands provide quality habitat for migratory birds and other wildlife, protect water quality, and reduce flood damages.

- Conservation plans for grazing land written, acres: 30.0 million
- Grazing lands with conservation applied to protect the resource base, acres: 12.0 million
- Non-Federal lands treated for fish and wildlife habitat, acres: 10.3 million



- Non-Federal lands managed for the protection and enhancement of habitats for species with declining populations, acres: 1.6 million
- Wetlands created, restored, or enhanced, acres: 63,300

#### Selected Examples of Recent Progress

**CTA Provides Critical Help to Improve Stream Health.** Two producers from Asotin, Washington, implemented practical improvements that will maintain the health of the stream running through their cattle operation. They installed four acres of conservation cover; 37 acres of tree and shrub plantings; nearly 100 acres of riparian forest buffer; two livestock crossings; five-plus miles of fencing and nine watering systems. CTA provided technical assistance.

The Washington Department of Fish and Wildlife official gives credit to the Asotin County Conservation District and NRCS for laying the groundwork for cooperation. "The district and NRCS has done a great job of building relationships with the local landowners. NRCS made it a point to work closely with landowners when developing conservation plans. Most of the input regarding the implementation of the practices comes directly from the landowners." The NRCS planner emphasizes, "It simply doesn't work if the landowners aren't fully vested in the solutions. It's their conservation plan, not ours."

**NRCS Completes 11 Rapid Watershed Assessments.** NRCS completed 11 rapid watershed assessments that increase the speed and efficiency of generating information to guide conservation implementation as a tool for local decision makers. Rapid watershed assessments provide initial estimates of where conservation investments would best address the concerns of landowners, conservation districts, and other community organizations and stakeholders. The assessments help landowners and local leaders set priorities and determine the best actions to achieve their goals. They are conducted by watershed planning teams who travel through each watershed and meet with landowners and conservation groups. The team inventories agricultural areas, identifies conservation opportunities and current levels of resource management, and estimates impacts of these opportunities on the local priority resource concerns. This concept closely mirrors what has been used successfully in the Klamath Basin of Oregon and California.

The benefits of rapid watershed assessments include:

- Quick and inexpensive plans for setting priorities and taking action.
- Identification of where further detailed analyses or watershed studies are needed. Some recommended actions may require Federal or State permits or analyses associated with the Endangered Species Act or National Environmental Policy Act. These permits and analyses are part of standard requirements for use of Best Management Practices and conservation systems.
- Resource assessment plans that:
  - Address multiple objectives and concerns of landowners and communities.
  - Are based on established partnerships at the local and State levels.
  - Enable landowners and communities to decide on the best combination of NRCS products and services that will meet their goals including both technical and financial assistance.

**Sign-Up Pilot Highlights Benefits of Conservation Planning.** Nine states completed a conservation planning sign-up pilot project in FY 2006. Six of the pilot states are continuing this conservation planning initiative in FY 2007. The pilot initiative emphasized that conservation planning helps customers better prepare applications for conservation programs and comply with Federal, State, Tribal and local environmental regulations. An evaluation of the pilot identified the following benefits of conservation planning:

- Improved customer decision making in dealing with natural resource concerns that included a self-assessment of resource concerns.
- Increased efficiency in delivering financial assistance. Conservation plans streamlined the contracting process through the identification and planned treatment of all resource concerns. The plans provided a foundation for program eligibility and ranking.
- Improved compliance with regulatory issues like threatened and endangered species through a planning sign-up focused on those concerns.

- Increased access to new customers, including underserved groups, who need technical help with soil, water, air, plant, or animal resource problems.

**Grazing Land Conservation.** Private grazing land includes 405 million acres of rangeland and 117 million acres of pastureland, as well as 53 million acres of forested land. Cropland acres may also be used for grazing. Well managed grazing contributes substantially to the environmental well-being and to the agricultural economy of the United States. Healthy grazing land benefits the landowner, local community residents, and society. Healthy grazing land yields clean water for urban and rural uses, aids in flood protection, and reduces greenhouse gases through the exchange of carbon. Properly managed grazing land reduces the impact of drought and provides aesthetic values, open space, and wildlife habitat.

Technical Assistance on Grazing Lands. Technical assistance provided to landowners and managers resulted in over 24 million acres of planned conservation systems and 19 million acres of applied conservation systems on grazing lands that resulted in an overall improvement in grazing land health. The conservation practice “prescribed grazing” (managing the controlled harvest of vegetation with grazing animals) was applied to more than 15 million acres.

Grazing Land Conservation Initiative. NRCS collaborates with the Grazing Land Conservation Initiative (GLCI), a coalition of producer groups and environmental organizations dedicated to the protection and improvement of private grazing lands. In FY 2006, Congress provided \$27.2 million in the NRCS Conservation Operations account to support GLCI activities. This funding supports technical assistance, training, and demonstrations targeted to improve the health of grazing lands. GLCI activities in FY 2006 included more than 850 grazing land demonstration projects on 900 farms and ranches; more than 1,700 grazing land workshops, field days, and tours reached over 160,000 participants; over 5,500 published articles in newspapers and magazines with a circulation total of 9.4 million households; and 900 radio and television spots and programs reached 7.7 million people. In FY 2006, GLCI awarded 26 competitive grants worth \$4.1 million to organizations and local/state units of government in 19 states; they focused on the management and control of invasive species affecting grazing land.

**Clean Water Activities.** NRCS is addressing key water quality issues such as the potential environmental risks posed by animal feeding operations and impairment of water resources from nutrients, sediments, and pesticides. In addition, NRCS has been providing leadership for USDA efforts to enhance coordination with the EPA in areas of mutual interest related to water quality.

Animal Feeding Operations. Livestock and poultry waste management remains a complex natural resource and public policy issue. Heightened awareness of the potential public and environmental health risks that may be presented by improperly managed animal feeding operations (AFO) has led to significant scrutiny in three areas:

1) nonpoint source pollution of water resources; 2) point source pollution associated with CAFOs; and, 3) the inadequacy of traditional land-based manure nutrient management strategies as livestock and poultry operations surpass the capacity of the land to assimilate manure nutrients. Concerns are also increasing over the potential contributions of AFOs to air quality problems as a result of emissions of odors, greenhouse gases, and fine particulates.

An analysis of 1997 agricultural census data indicated that 257,200 AFOs could potentially need a CNMP to address natural resource issues or meet regulatory requirements. EPA estimates that about 18,000 CAFOs require a National Pollutant Discharge Elimination System (NPDES) permit. Nearly all AFOs need to implement a CNMP or equivalent to be eligible for the “Stormwater Exemption” component of EPA’s CAFO Rule.

NRCS continues to provide technical assistance to the EPA’s Office of Water on the revision of their CAFO regulations. NRCS also provides technical assistance to the EPA Office of Emergency Management on the update and revision of the Spill Prevention, Control and Countermeasure (Oil Spill) regulation.

In FY 2006, NRCS and its conservation partners assisted 6,049 livestock and poultry producers to develop CNMPs for their operations. Partners assisted with the development of 35 percent of those plans. A total of 5,050 CNMPs planned in previous years were applied. A total of 28,404 CNMPs have been developed since 2002, with 16,624 of those implemented.

Through contracts with universities, NRCS continues to improve the CNMP software to incorporate connective software and technological improvements. This ensures that CNMPs are easier to understand and provide farmers with a document that can be used to apply for water quality permits.

Water Quality Innovation. During FY 2006, NRCS led in the development, advancement, and demonstration of new and innovative approaches to improving water quality. The following activities highlight some of those advances:

- A Partnership Agreement with EPA formalized a joint commitment to Water Quality Trading (WQT) by coordinating programs and activities; established a Standards Team to develop measurement protocols for WQT credits; and developed a WQT pilot project in the Chesapeake Bay.
- New and innovative approaches are being piloted by agricultural producers to reduce their contribution to hypoxia in the Gulf of Mexico such as managing flow through tile drains. Recent research has shown this to reduce discharges to surface waters and nutrient losses of up to 40 percent.
- The use of market-based concepts to accelerate conservation. NRCS has developed a strategy using market-based approaches for air, water, and biodiversity. This strategy incorporates water quality trading as a viable option for landowners to accelerate the reduction of pollutants. NRCS led the effort that resulted in the USDA Policy Memorandum on Market-based Environmental Stewardship. Through this policy, USDA will broaden the use of ecosystem services through voluntary market mechanisms where credits for clean water, greenhouse gases, or wetlands can be traded as easily as corn or soybeans are traded on commodity markets. NRCS leads the USDA Coordination Council to ensure a sound market-based approach to ecosystem services.

Water Quality Leadership. In FY 2006, NRCS continued to lead or sponsor national and international conferences on clean water policy and implementation strategies. As a result, shared information on clean water technology, policy, and innovation led to collaboration among all government levels, nongovernmental organizations, and the private sector. These efforts included:

- Second National Water Quality Trading Conference. Over 300 people from private industry and local, State and Federal government participated in this event that highlighted leadership and successes in water quality trading.
- Ninth Mitigation and Conservation Banking Conference. It highlighted emerging market opportunities, technical and scientific issues and legislative updates regarding wetland mitigation banking. The over 370 registrants represented private business, nonprofit organizations, universities, and local, State and Federal governments.
- Breakout session on Environmental Credit Trading at the 2006 USDA Ag Outlook Forum. The session focused on Water Quality, Air Quality, and Green Labeling.
- International Katoomba Group Conference. The first to be held in the United States, this conference addressed market-based conservation with topics such as voluntary purchasing of ecosystem services, labeling and certification, mitigation banking, and trading offsets.

**Natural Resources Inventory and Assessment.** The CTA Program funds products and services that allow NRCS and its customers to assess, acquire, develop, interpret, analyze, and deliver natural resource data and information. This business line enables knowledge-based natural resource planning and decision making at many landscape levels.

Mission Critical Analyses and Assessments. These mission critical analyses and assessments supported Agency, Departmental and legislative initiatives in FY 2006. NRCS natural resources data and information, conservation program data, and data from other Federal and non-Federal data sources were essential components of these analyses and assessments including:

- Priority Watersheds. NRCS developed national and State-level assessment protocols to identify priority watersheds with a resource-based approach for implementing financial assistance programs.
- Comprehensive Set of Environmental Indicators. NRCS is a key contributor to the Council on Environmental Quality's Interagency Working Group on Environment and Natural Resource Indicators. The goal of the Working Group is to develop a comprehensive set of indicators to guide the Federal government in reporting regularly on natural resources and environmental issues.

National Resources Inventory (NRI). NRI is a longitudinal, statistical sample survey of natural resource conditions and trends on non-Federal lands in the United States. These non-Federal lands, which account for more than 79 percent of the Nation's land area (privately owned lands, Tribal and trust lands, and lands controlled by State and local governments). Data and analysis from the NRI supply key information used to design effective conservation programs and policy, develop strategic and performance plans, and inform national farm policy discussion through the Farm Bill process. Performed in cooperation with Iowa State University's Center for Survey Statistics and Methodology, NRI is authorized by a number of legislative acts beginning with the Rural Development Act of 1972. NRCS conducted the NRI every five years during the period 1977 to 1997. Currently, NRCS collects NRI data annually.

- Annual NRI. The Annual NRI provides timely information to support agricultural and conservation policy development and helps assess the impact of policy choices and conservation program implementation. The Annual NRI delivers long-term trend analyses and has the flexibility to obtain scientific information on emerging natural resource issues. Data are gathered for a scientifically selected subset of the 800,000 sample sites. New procedures for data collection were implemented at three Remote Sensing Laboratories (RSLs) for the 2005 NRI data collection. The RSLs use new geospatial and other cutting-edge technologies to enhance efficiency and precision of the NRI. Additional data gathering is performed on-site for items that cannot be determined remotely, to establish baseline conditions, and for quality assurance.
- NRI Status and Data Releases. The data associated with an Annual NRI (e.g., 2005 Annual NRI) reflects the calendar year growing season for which the data were gathered, not when the data and findings are released to the public. NRI estimates must meet statistical standards and adhere to NRCS policy and Office of Management and Budget and USDA Quality of Information Guidelines. No data are released until rigorous quality assurance procedures are completed.
  - 2003 Annual NRI: National and regional-level estimates on soil erosion, wetlands, and land use were released in FY 2006. Key findings include 1) soil erosion on U.S. cropland decreased 43 percent between 1982 and 2003, and 2) an average annual net gain of 72,000 wetland acres occurred between 2001 and 2003. Additional planned data releases include State-level soil erosion and land use estimates (calendar year 2006) and national and regional-level urban development and soil quality estimates (early calendar year 2007).
  - 2005 and 2006 Annual NRIs: RSL staff completed geospatial processing of imagery that captured the 2005 growing season and initiated work on the 2006 imagery. New data collection protocols and tools incorporating updated technology were developed for use by contract data collection staff at the three RSLs. Data collection for the 2005 NRI is underway and is scheduled for completion in spring 2007. Data collection for the 2006 NRI will be completed in late 2007.
- NRI Rangeland On-site Survey. Data collection for the 2006 NRI Rangeland On-site Survey sample set occurred in 21 States using hand-held pocket PC-based data collection tools. Data editing and quality assurance activities are being conducted. Data collected over the past three years will provide insights into the condition of non-Federal rangelands and will be used to address conservation programs and policies.
- Alaska NRI. NRCS and the Iowa State University's Center for Survey Statistics and Methodology developed the new sampling design and comprehensive work plan to ensure that data collected for the 2007 Annual NRI in Alaska will meet NRI standards, as well as the State's long-term objectives and needs. Imagery acquisition is underway to initiate preliminary interpretations.
- Conservation Effects Assessment Project (CEAP). CEAP is a multi-agency effort to quantify the environmental benefits associated with conservation practices implemented under the 2002 Farm Bill and other related programs. CEAP has two principal components: 1) National Assessment and 2) Watershed Assessment studies. The four sub-components of the National Assessment (cropland,

wetlands, wildlife, and grazing lands) provide national summary estimates of conservation practice benefits and assess the potential for USDA conservation programs to meet the Nation's environmental and conservation goals. The Watershed Assessment studies are the research component of CEAP; they provide more detailed, in-depth assessments than are possible with the National Assessment components. Current CEAP activities include:

- Cropland Component: The cropland component uses the NRI sampling frame, existing environmental models, and farm-level information gathered by the National Agricultural Statistics Service to provide estimates of conservation benefits at the national scale. In July 2006, a study was completed and a report released on soil loss, nutrient loss, and soil organic carbon associated with crop production. This study identifies areas of the country that have the highest potential for sediment and nutrient loss from farm fields, wind erosion, and soil quality degradation. These areas would likely benefit the most from the application of conservation practices.
- Wetlands Component: The wetlands component quantifies the effects of conservation practices and resource management systems on ecosystem services provided by wetlands and associated uplands. Predictive functional condition indicator models will also be produced from the assessments. Collaborative assessments will be conducted in 10 regions throughout the conterminous United States. Five assessments are currently underway. Preliminary findings will be available in early calendar year 2007 from the first regional assessment in the Prairie Pothole Region and ecosystem services provided by bottomland hardwood wetlands within cropped and forested land in the Mississippi Alluvial Valley.
- Wildlife Component: Upcoming releases for the wildlife assessment component include literature synthesis on the fish and wildlife benefits of conservation practices, preliminary findings on farmer perspectives on wildlife, and a Doppler radar study of wintering water bird use of Wetland Reserve Program land in California.
- Grazing Lands Component: The grazing lands component will strengthen the collaboration among grazing lands groups and scientists. It will produce a national assessment of the effects of conservation practices on grazing lands. The National Agricultural Library published the sixth CEAP bibliography, "Environmental Effects of Conservation Practices on Grazing Lands" in September 2006.
- Watershed Assessment: The watershed component provides detailed assessments of conservation practices and observed effects in selected watersheds. Twenty-nine individual watershed case studies, representing a wide array of resource issues and modeling techniques, were active in 2006. These case studies provide in-depth assessments of water quality and other benefits at a finer scale than is possible for the National Assessment.

**Natural Resource Technology Transfer.** NRCS develops, documents, and distributes a wide array of technology pertaining to resource assessment, conservation planning and conservation system installation and evaluation. The CTA Program funds nearly all of the development and transfer of this natural resource technology. NRCS employees use science-based technology to develop reliable and practical recommendations for soil, water, and related resource problems at the local level. These tools are adopted worldwide for purposes ranging from protecting fragile soils to developing engineering products to solve complex water management problems. NRCS developed technology is in the public domain; many private businesses enhance, re-package, and sell the technology for more widespread use and adoption. Conservation districts, universities, and other public entities use NRCS technology for business or educational purposes.

**Natural Resource Technology Tool Development and E-Government.** Engineers, agronomists, biologists, foresters, soil scientists, economists, and other technical specialists assist the local NRCS staff and enhance the expertise that is provided to all NRCS clients. These specialists develop and transfer new technologies -- a wide array of technical standards and specifications, models, and maps pertaining to conservation systems. The topics include ecological site and forage suitability, phosphorus indexes, snow fences, stream restoration, and buffer technology. Information Technology (IT) professionals translate scientific technology and standards into more accessible electronic formats. These scientists and technical specialists ensure the application of sound scientific principles in CTA Program activities.

NRCS optimized IT resources to better deliver products and services to NRCS customers and improve NRCS internal business processes in FY 2006. IT professionals provide a seamless customer experience with electronic tools that are accessible and supported by widely used computer platforms. NRCS develops critical IT products and services to support the five core Agency business lines. IT products also support the performance based accountability and management improvement functions.

Internal Accountability and Management Improvements. NRCS' Accountability Information Management System (AIMS) answers basic performance and budget accountability questions including: What needs to be done and where? What is being done? How long did it take to accomplish? What is the cost? What environmental benefits were achieved? AIMS enhancements in FY 2006 included:

- A new version of the Performance Results System (PRS) that mines performance data from the National Conservation Planning (NCP) database. This new system minimizes the field's workload to produce accurate site-based reporting of all planned and applied practices. PRS was fully integrated with Toolkit, ProTracts, and the NRCS Reference Table (NRT) database. This integration results in complete reporting when field users complete their field planning and contracting activities.
- Continued use and enhancements to the Conservation Information System (CIS) which provides monthly reports for managing program costs and accomplishments. The CIS allows for improved management of program funds by national and state level managers. Data in the CIS includes financial data such as allocations and obligations, as well as payroll data for time, attendance, salaries, benefits, and performance measurement data.
- Continued development of an Executive Dashboard which is a report generator and visual dashboard for senior managers to monitor program performance and costs.
- Program Operations Information Tracking System (POINTS) is a collection of data entry and reporting tools that provides a "One Stop Shop" for program information and operation data. POINTS' web-based analysis tools and reports were enhanced for the Watersheds and EQIP programs. During FY 2006 the POINTS application for the Resource Conservation and Development Program was completed.

Critical IT efforts in FY 2006 by the following core Agency business lines.

Conservation Planning and Technical Consultations result in either the transfer of data, information, or a conservation plan that helps customers protect and conserve natural resources (soil, water, air, plant, and animal) within their social and economic interests.

- Customer Service Toolkit is the primary tool in this business area. Toolkit is a geographic information system (GIS) enabled enterprise application that supports conservation planning and technical assistance to landowners. Using Toolkit, NRCS field office planners "check out" customer specific data from a centralized national database along with customer folders from local file servers. The data and folders contain conservation planning information in Excel spreadsheets, Word documents, image files, and GIS shapefiles. NRCS planners use Toolkit to perform a resource inventory, analyze current land use in relation to geophysical limitations, develop alternative solutions, and prepare a final conservation plan, plan of operations, and high quality client specific maps.
- Since its release in December 2004, Toolkit has been installed on over 12,000 NRCS and conservation partner computers and has been implemented in every State with 5,000 to 6,000 unique users accessing the site per week.
- The NCP database was integrated with the Toolkit creating efficiencies in planning, contract development, and national progress reporting. Currently, NCP contains nearly 1.3 million plans, 24 million practices, and 100,000 contracts. These are planned over 11.4 million land units with over 7.4 million of those land units with spatial data. Spatial land units have increased by 125 percent in FY 2006 reflecting streamlining and integration efforts by NRCS business applications.
- Completed initial version of the Conservation Plug-In which will enable technical service providers and other non-NRCS affiliates to directly access the NCP database to record planning and application progress.

Natural Resources Inventory and Assessment includes the acquisition, development, interpretation, and delivery of natural resource data and information for natural resource planning, decision making, and program and policy development at multiple scales. The following improvements occurred in FY 2006:

- National Soil Information System integration with geospatial tools used at the field level.
- Soil Scientist Toolkit for improving soil scientist productivity and data quality.
- Remote Sensing Toolkit including tools for management, decision support, and communication.
- Both the PLANTS website and Soil Data Mart adopted the USDA “look and feel” and were populated with all available soil spatial and tabular data. The Soil Data Mart facilitated downloading over 206,000 soil surveys for 3,000 to 5,000 users per day.
- The Geospatial Data Gateway has been integrated with the National Agriculture Imagery Program (NAIP) and Common Land Units (CLU) datasets in the Geospatial Data Warehouse. These elements are the authoritative datasets; they are “on demand” in the standard format and naming conventions. NAIP includes current natural color orthoimagery at one meter resolution. The CLU dataset includes farm and field boundaries for USDA service center customers. The total amount of data delivered from the Gateway continues to double annually to almost 60 terabytes in FY 2006.
- Deployment of the Web Soil Survey for the public, providing self-service technology for soils information and including an integrated Resource Data Viewer. Currently averaging about 2,500 users per day, saving staff time at local service center offices.

The Water and Climate Information System (WCIS) supports the collection, storage, quality control, analysis, and dissemination of high elevation snow pack and climate data for the West, generation of water supply forecasts, and the collection and dissemination of soil climate data. In FY 2006, WCIS improvements included:

- A new web service that efficiently accesses snow pack and climate data for on-site snow survey and water supply applications. It is used by many State and Federal agencies for natural resource management and economic decisions.
- A new web report generator that dynamically creates reports that are used by numerous local, State, and Federal agencies as well as private citizens.
- An improved database design and hardware platform now allows user access to all historical snowpack data for climate research and improved water management.
- Development of a Climate Data Mart that provides USDA service centers with access to climate data and analysis required for conservation planning, drought impact assessments, irrigation water management, and many other climate-dependent natural resource management activities.

Natural Resource Technology Transfer includes the process that evaluates, acquires, develops, and transfers conservation tools, techniques, and standards based on research and new technologies. The technology is used primarily in resource assessment, conservation planning, and conservation system installation. New or revised technology tools released in FY 2006 included:

- Energy Estimator Tools for Tillage, Nitrogen, and Irrigation provides a first approximation of direct and indirect energy used on-farm. Since the release in December 2005, there have been nearly 62,300 visits and nearly 247,000 page views of these tools. They allow customers to compare the relative amount of fossil fuel energy consumed under different crop rotations, estimate savings in nitrogen fertilizer applications and use, and manage their irrigation operations more efficiently. These web-based calculator tools help reduce the impacts of high energy costs.
- Conservation Practice Standard application for maintaining Conservation Practice Standards provides a sole source access for conservation practice information.
- Water Resources Site Analysis Computer Program (SITES) Version 2000.5 supports the analysis of complex watersheds having upstream structures, sub watersheds, and channel reaches through use of a graphical user interface.
- There were 19 Technical Notes released with the latest technical information on Biology and Technology issues.

- Updated about 16 percent of 165 practice standards including creation of two new practice standards for Multi-Story Cropping and Prescribed Forestry. These new and updated standards reflect evidence-based science and help producers address critical issues.
- Made progress on a “conservation plug-in” package for third party software providers to include in their software product offerings. This tool will allow customers, partners, and technical service providers to access USDA applications.

Financial Assistance includes cost share and monetary incentives through program contracts, easements, or other means to qualified program participants who participate in authorized NRCS conservation programs. ProTracts is a web-based application that helps NRCS efficiently manage applications, contracts, obligations, payments, and performance reporting. This is the primary electronic tool used by NRCS and partners to develop and manage contracts associated with NRCS’ financial assistance programs.

- Through ProTracts, NRCS employees obligated over \$1.1 billion through 99,000 contracts in FY 2006 in four financial assistance programs: EQIP, CSP, WHIP, and AMA. The ProTracts database contains over 452,000 contracts with 3.7 million contract items. The total value of the contracts is \$3.9 billion.
- ProTracts ranking tool was nationally deployed to provide a uniform method of evaluating and ranking contract applications. This tool provides uniform business rationale that ensures and documents that the most environmentally deserving lands across the nation receive conservation in a cost-effective manner.
- Continued development and enhancements to Fund Manager which speeds both the obligation and payment process. It eliminates duplicate data entry and leverages the customer database to generate records at National Finance Center (NFC). Fund Manager links ProTracts and the Financial Foundation Information System. With this web application, NRCS has been pioneering new approaches to utilize web applications to interface transactions electronically to NFC.

**Compliance Status Reviews for Highly Erodible Land and Wetlands.** Compliance status reviews are conducted on farm and ranch tracts designated as having either highly erodible land (HEL) or wetlands, or both. A compliance status review is an inspection of a tract to determine the USDA participant’s compliance with the Highly Erodible Land and Wetland Conservation (HEL/C/WC) Provisions of the Food Security Act of 1985, as amended, as a condition for receipt of certain USDA benefits. The NRCS compliance status review process requires employees to make an on-site determination when a violation of the HEL/C/WC provisions is found, and that only qualified NRCS employees report violations. Analysis of FY 2006 compliance reviews will be available after February 2007. In FY 2005, about two percent (444) of the approximately 23,000 tracts checked were found to be in non-compliance; 344 tracts had highly erodible land conservation violations and 100 tracts had wetland conservation violations.

Highly Erodible Cropland Conservation Compliance. Participants in USDA programs are required to protect their fields from excessive soil erosion by complying with HEL regulations found in the provisions of 16 U.S.C. §§ 3801; 3811-3814. USDA participants accomplish this by implementing a conservation system that provides for either a substantial reduction in soil erosion, or when sodbusting native vegetation, a system that results in no substantial increase in soil erosion on highly erodible cropland. NRCS classifies about 101.1 million acres of cropland as HEL, 27 percent of the Nation’s 370 million acres of cropland.

Reviews were conducted on 30,085 tracts (over 3.4 million acres). Farms and/or ranches with tracts found to be in non-compliance are subject to revocation of certain USDA benefits in the crop year of the violation. Revocation continues until the participant has fully applied and maintained a conservation plan and system on the tract with the violations. The statute provides for three exemptions: 1) soils mapping, 2) good faith and 3) economic hardship. It also provides for three variances: 1) minimal effect, 2) expedited variance for weather, pests, and disease, and 3) non-commercial production of an agricultural commodity on HEL. Of the total HEL tracts in compliance, 655 (2.1 percent) tracts were issued variances or exemptions as provided by statute. All tracts with a variance or exemption were re-evaluated during the 2006 crop year to ensure that an appropriate conservation system is being used. Of the total variances, 49 percent of the tracts (324 tracts) were issued for a minimal effect on the total conservation system



effectiveness. The Farm Service Agency (FSA) county committees granted good faith exemptions where a violation was reported for 11 percent of the tracts reviewed (69 tracts).

Wetlands Conservation Compliance. Title XII of the Food Security Act of 1985, 16 U.S.C. §§ 3801; 3821-2824 defines NRCS' responsibilities in wetlands conservation which includes determinations, appeal processing and resolution, mitigation and restoration plans, minimal effect exemptions, and scope and effect evaluations for installation of new drainage systems and maintenance of existing systems.

The wetland conservation provisions commonly referred to as "Swampbuster," link eligibility for participation in most USDA commodity and conservation programs to the protection of wetlands. The "Swampbuster" provisions of the 1985 Act provide that after December 23, 1985, a program participant is ineligible for certain USDA program benefits for the production of an agricultural commodity on a converted wetland, or after November 28, 1990, for the conversion of a wetland that makes the production of agricultural commodity possible. Farms and/or ranches with tracts found to be in non-compliance are subject to revocation of certain USDA benefits back to the year of the conversion. Revocation continues until the participant has fully applied and maintained, and/or restored the areas or tracts where the violations had been found. The 2002 Farm Bill authorizes USDA benefits of approximately \$170 billion, with \$18 billion in conservation programs that are subject to compliance with Swampbuster. During 2005, wetlands were present on approximately 45 percent (13,679 of 30,085) of the randomly selected tracts on which compliance reviews were conducted.

**CTA Program Funds Customer Assistance.** Through CTA, NRCS provided technical assistance to more than 91,000 customers in FY 2006 helping them to plan and apply conservation measures on the landscape. This is about 60 percent of the Agency's customer contacts for conservation planning or implementation.

NRCS serves, either directly or indirectly, all of the people of the Nation. However, the people who make decisions about natural resource use and management on non-Federal lands are the primary customers. They include individuals, groups, Tribes, and units of government. NRCS provides the technical assistance and science-based information customers need to make good decisions about their natural resources. To achieve its mission, NRCS provides services to four main customer groups:

- Farmers and ranchers, people who own, operate or live on farms and ranches.
- Other members of the private sector who support production agriculture and conservation.
- Government and units of government including Tribes with responsibility for natural resource use and management.
- Non-profit organizations whose mission aligns with aspects of natural resource management.

These major customer types need different products and services, delivered in different ways. Within each major customer category, there are customer segments that have different needs.

CTA Program Leverages Technical Assistance. NRCS field staff work in partnership with about 8,000 State agency and conservation district personnel to assist customers with their conservation planning and implementation needs. Non-Federal partners contributed an estimated \$512 million in funds and services to support these joint conservation efforts in FY 2006. This leveraging is made possible through mutual agreements that establish a conservation partnership with State governments, local soil and water conservation districts, Tribes, and other conservation organizations to formulate and implement an integrated conservation program. By working with partners, NRCS ensures that the conservation goals of the landowner, local government, State agencies, and national interests are achieved.

Technical Service Providers and Agricultural Conservation Enrollees/Seniors. NRCS expanded technical assistance capability with Technical Service Providers (TSP) and Agricultural Conservation Enrollees/Seniors (ACES) in FY 2006. NRCS obligated about \$62.6 million to acquire TSPs and to place ACES experienced workers in FY 2006. The obligation for TSPs exceeded the FY 2006 target by about \$25 million.

- **Technical Service Providers.** Assistance through TSPs expands NRCS ability to provide products and services that enable people to be good stewards of the Nation's soil, water and related natural resources on non-Federal land. In FY 2006, NRCS:
  - Signed agreements with about 239 newly certified individual TSPs, and re-certified 170 individual TSPs. This brings the total available to the public to more than 1,700 individual TSPs and 173 businesses. The TSP certification and tri-annual recertification is completed with an online process.
  - The most common practices implemented with the technical assistance of TSPs included nutrient management plans, pest management plans, irrigation water management plans, CNMPs, and livestock waste storage facilities.
  - About 62 percent of the obligations were to private sector TSPs. Programs accounting for most of the FY 2006 obligation included EQIP 47 percent, CRP 17 percent, WRP 11 percent, and EWP 7 percent. Remaining programs each accounted for 4 percent or less of the obligation. Since passage of the 2002 Farm Bill, NRCS has obligated over \$180 million to acquire technical services.
- **Agricultural Conservation Enrollees/Seniors.** In a FY 2006 pilot, NRCS placed over 120 ACES workers in 30 States. Through an agreement with the National Older Workers Career Center (NOWCC), NRCS provides meaningful technical and administrative work opportunities for ACES workers. The total investment in this pilot project for FY 2006 was about \$3.2 million.

International Assistance. During FY 2006, NRCS employees participated in 139 assignments with 28 foreign countries that improved the management and conservation of natural resources globally. NRCS is recognized worldwide as the premier enabler of natural resource conservation. International activities involve both short and long-term technical assistance and leadership for the development of natural resource conservation programs and projects. Additionally, NRCS facilitates the exchange of conservation technology with countries that face soil and water conservation issues similar to those in the United States. NRCS participates in international meetings and professional societies to share NRCS conservation technology and to broaden the knowledge and professional capability of NRCS staff.

**Reimbursed Technical Assistance: Operation Enduring Freedom.** NRCS provides reimbursable short-term technical assistance to foreign countries where the primary benefit is to the receiving country. In FY 2006, the U.S. Agency for International Development reimbursed NRCS over \$118,350 for assistance to Afghanistan. The reimbursement paid for five NRCS employees who served nine-month details as agricultural advisors on U.S. military/civilian Provincial Reconstruction Teams. Through Operation Enduring Freedom, USDA improves the natural resources in the rural provinces which results in a more secure and stable environment. NRCS provided training in planning, designing, and implementing erosion control, streambank stabilization, forestland, rangeland, and other soil and water conservation measures for the Afghan Conservation Corps, a community-based employment program that puts thousands of Afghans to work restoring and rehabilitating Afghanistan's environment.

Other FY 2006 international assistance was provided to:

- **Pacific Basin.** Three conservationists in the Pacific Basin provided technical services and leadership in initiating, developing, and coordinating natural resource programs in the Federated States of Micronesia and the Republic of Palau. NRCS spent nearly \$550,000 on these long-term assignments.
- **Border Issues.** NRCS collaborated on border issues with agricultural producers and resource management agencies in Canada and Mexico. NRCS collaborated on issues including water quality, range management, biological diversity, aquatic resource management, hydraulic modeling, plant materials, snow survey forecasting, stream restoration, and waste and nutrient management.
- **Hosted Foreign Visitors.** NRCS employees hosted approximately 35 foreign students, technicians, scientists, administrators, and farmers from five countries and enabled them to transfer applicable methods to their home countries.

**Outreach to Underserved Groups.** NRCS provides technical and financial assistance for projects and special initiatives to assist underserved individuals and communities. The projects include revitalizing

small farm production, processing and marketing of farm products; and implementing new site-specific technology and developing comprehensive resource plans to address the Department's Food and Agricultural Policy. Outreach efforts included:

1890 Land Grant Institutions. NRCS partners with the 1890 Land Grant community and participates in the USDA/1890 Task Force Initiatives. This Task Force and 1890 Scholars Program supports NRCS' Human Capital Initiative. During FY 2006, six of the 15 scholars NRCS supported in the Scholars Program graduated. NRCS collaborates with selected 1890 Land Grant universities to broaden the transfer of technologies through the 1890 Centers of Excellence to the communities they serve.

Scholarship Programs. During FY 2006, NRCS continued to support the Asian Pacific Islander and Tribal Scholars Program. As a result, 13 scholars are enrolled in partnering institutions of higher learning studying natural resources and related environmental sciences. These scholarship opportunities strengthen the conservation partnership with State colleges and Land Grant Institutions. This effort results in outstanding students from under-represented groups pursuing agriculture and natural resource careers.

HACU National Internship Program. In the summer of 2006, NRCS sponsored five interns through the Hispanic Association of Colleges and Universities (HACU) National Internship Program. NRCS placed two interns in Pennsylvania and one each in Nevada, Indiana, and Alabama for 10- to 15-week internships. One of the Pennsylvania interns was offered a permanent position with NRCS. HACU represents more than 390 colleges and universities in the United States, Puerto Rico, Latin America, and Spain; 66 percent of all Hispanic college students attend one of these institutions. HACU is the only national educational organization that represents two-or four-year accredited colleges or universities with 25 percent or more full-time Hispanic enrollment.

Small, Limited Resource, and Beginning Farmers and Ranchers. With technical and financial assistance that is relevant to their needs, NRCS helps small, limited resource and beginning farmers and ranchers maintain the economic viability of their small farm operations. The Agency works to ensure that there are no negative impacts, barriers and obstacles preventing small, limited resource and beginning farmers and ranchers from fully participating in NRCS programs or receiving technical assistance. CTA-funded conservation plans resulted in increased financial assistance to this customer segment including:

- \$12.5 million Limited Resource Farmers Initiative to reach over 1,000 historically underserved farmers and ranchers and small farmers implement sound conservation practices on their land. States and the Caribbean Area dedicated EQIP funds. Cost-share rates from Farm Bill programs are up to 90 percent under this initiative.
- NRCS approved 3,377 beginning farmers and ranchers for EQIP contracts totaling \$91.1 million. NRCS also approved more than 1,400 limited resource farmers and ranchers for EQIP contracts totaling \$54.2 million. NRCS approved 63 percent of the applications received from potential limited resource producers and beginning farmers and ranchers.

Assistance to American Indians & Alaska Natives. In 1988, a Memorandum of Understanding between the Secretary of Agriculture and the Secretary of Interior gave NRCS full access and recognized trust responsibilities on American Indian Nation and Alaska Native lands. The Bureau of Indian Affairs (BIA), FSA and NRCS signed a Memorandum of Understanding on planning and implementing USDA conservation programs on Indian lands. The Food, Agriculture, Conservation, and Trade Act (FACTA) of 1990, Section 2501 (g), directed NRCS and other USDA field agencies to establish sub-offices at Tribal headquarters, for requesting Tribes, and staff the office at least one day per week. In 2006, NRCS completed negotiations with BIA and FSA in updating the 1988 Memorandum of Understanding that clarified the respective agency roles on Indian lands.

- Offices Serving Tribes. As of October 2006, NRCS has 45 full-time offices on Tribal lands and 30 part-time offices. Another 400 field offices located off Indian lands and approximately 200 Tribal liaisons serving 561 Federally-recognized Tribes.
- Technical Assistance to Tribal Conservation Districts. The Secretary of Agriculture has signed mutual agreements with 26 conservation districts formed under Tribal law. Under these agreements, NRCS

provides technical assistance through conservation districts to plan, apply, and maintain conservation treatments.

- Tribal District Outreach. In FY 2006, NRCS signed a contribution agreement with Indian Nations Conservation Alliance to continue outreach efforts with Tribes. A Tribal Conservation District Handbook was also prepared as a guide for establishing Tribal Districts.
- American Indian 1994 Land Grant Colleges. NRCS assists and provides financial support to the American Indian 1994 Land Grant Colleges to develop and enhance their natural resource curriculum.
- NRCS General Manual Updated. The General Manual was updated to provide Agency policy for working with American Indians and Alaska Natives and their governmental entities. The policy clarifies the definitions of Indian Tribes to include Alaska native villages and regional corporations.
- Conservation Security Program (CSP) Team Doubles Minority Signup. An NRCS outreach team in the Poteau River Watershed increased the minority and underserved signup from 49 to 90 percent for the CSP. The Poteau River Watershed covers three Oklahoma counties and two Arkansas counties.
- Tribe Restores Fish Habitat. The Kootenai Tribe of Bonners Ferry, Idaho, and NRCS employees worked a joint project with two land owners to restore spawning habitat for native Bull Trout, Kokanee, Red Band Rainbow trout and Cutthroat trout. The Tribe and NRCS employees stabilized the stream bed with about 500 linear feet of bio-engineering practices and improved fish passage with rock V weirs to allow fish to migrate up stream.

**Accountability.** NRCS has developed a comprehensive system that ensures program accountability and helps the Agency meet the budget and performance integration initiative in the President's Management Agenda. This system measures progress toward the Agency's strategic, performance, and business plans. The data from the NRCS performance management and financial management systems is organized and displayed in the Agency's Conservation Information System and in the Executive Dashboard. Managers at all levels of the organization can monitor program progress, costs, and obligations by program. The Agency's accountability system received the American Society for Public Administration's Organizational Leadership Award and has been featured at performance management forums.

In Fiscal Year 2006, NRCS continued to reengineer its web-based performance measurement system and nearly finished the transitioning from a system that relies on data entry to one that mines or extracts data from other applications. This approach reduces the time employees spend on reporting and provides more information about the environmental impacts of applied conservation practices or groups of practices. The new system links performance items planned and applied from Conservation Toolkit and ProTracts to the physical effects from the Field Office Technical Guide; from this linkage, estimates and reports the environmental impacts of conservation systems and practices are generated. All applications in the system are tied to the common customer database in the Service Center Information Management System allowing managers to monitor progress assisting minority, small farmers and other historically underserved groups.

**PART Assessment.** During FY 2003, a Performance Assessment Rating Tool (PART) assessment found that improvements were needed related to how CTA reports activities and accomplishments. The PART improvement plan specifically cited the need for a transparent budget allocation process, a reporting process that tracks CTA activities beyond field level assistance, and a concise list of long-term performance measures. In response, NRCS instituted a more transparent CTA allocation process that included published annual program priorities; created a concise list of long-term measures with ambitious targets and established baselines; published a unified and comprehensive CTA policy; redefined the Total Cost Accounting System to enable accurate reporting of staffing costs; and conducted several oversight and evaluation reviews to improve program operations.

During FY 2006, an assessment was conducted on the Conservation Operations (CO) Account which includes four programs (CTA, Soil Survey, Plant Materials, and Snow Survey and Water Forecasting). CO was determined to be "Moderately Effective." The assessment found that CO operates efficiently and effectively. NRCS has made its State allocation process more transparent by tracking non-field level activities including those of contractors and partnering organizations, and linking performance to budget allocations.

To improve the performance of CO, NRCS has:

- Initiated implementation of a 5-year comprehensive budget and performance strategy aligned with the Strategic Plan,
- Improved program management by conducting an independent review of the allocation formulas, and
- Evaluated efficiency gains across administrative boundaries.

## SOIL SURVEY

### Current Activities

**Purpose.** Understanding and managing soil as a strategic natural resource helps sustain the health and economy of the Nation. Soil survey is an essential tool for regional and local conservation planning that allows people to manage natural resources. The NRCS Soil Survey Program is mandated to:

- Inventory and map the soil resource on non-Federal lands of the United States.
- Keep soil surveys relevant to meet emerging and ever-changing needs.
- Interpret the data and make soil survey information available to meet public needs.
- Lead the National Cooperative Soil Survey Program.

Soil surveys provide important data and information for decisions made by planners, environmentalists, engineers, zoning commissions, tax commissioners, homeowners, developers, as well as agricultural producers. Soil surveys provide the basic information needed for conservation planning. Land managers use soil surveys to predict the soil's potential erosion hazard, its potential for groundwater contamination, and its suitability and productivity for cultivated crops, trees, and grasses. Soil surveys also provide a basis to help predict the effect of global climate change and "greenhouse" gases on worldwide agricultural production and other land-dependent processes.

**National Cooperative Soil Survey.** NRCS is the lead Federal Agency for the National Cooperative Soil Survey (NCSS), a partnership of Federal land management agencies, State agricultural experiment stations, and State and local units of government. NCSS promotes the use of soil information and develops policies and procedures for conducting soil surveys and producing soil information. NRCS provides the scientific expertise to enable the NCSS to develop and maintain a uniform system for mapping and assessing soil resources, in order that soil information from different locations can be shared regardless of which agency collects it. NRCS provides most of the training in soil survey to Federal agencies and assistance with their soil inventories on a reimbursable basis.

**Standards and Mechanisms for Soil Information.** NRCS is responsible for developing the standards and mechanisms for soil information on national spatial data infrastructure required by Executive Order 12906. In the last few years, NRCS has been perfecting a National Soil Survey Information System (NASIS) and producing publications that are accessible to the public through the internet <http://soils.usda.gov>. In FY 2003, NRCS developed the Soil Data Warehouse to archive soil survey data and the Soil Data Mart to distribute data to the public. In FY 2005, NRCS established the Web Soil Survey internet site. This became the primary way of distributing published soil surveys, making it easier to keep soil information current with continual public access.

**Key Elements of the Program.** The primary focus of the Soil Survey Program is to provide current and consistent map interpretations and data sets of the soil resources of the United States. NRCS is conducting a multi-year reinvention process to shift the focus of the Soil Survey Program from publishing hard copy reports to an electronic report that provides a current, readily available, and more useful soil resource inventory, while still completing the initial soil survey mapping. This includes providing useful information to the public in a variety of formats (i.e., electronic and web-based). The program will continue its focus of maintaining quality soil information, and helping people to understand and use the soil resource in a sustainable manner. Key program elements include:

- **Mapping.** Mapping procedures are managed based on physiographic, rather than administrative boundaries. Soil surveys, based on natural landscape boundaries rather than political boundaries, are

more efficient to produce, and provide consistent, quality data for assessing and planning the use and protection of landscape units (watersheds or ecosystems). Physiographic surveys provide consistent data that can be used easily by landowners with holdings in multiple jurisdictions, or by community, State, or regional planners. A primary challenge is to complete the initial soil survey for the entire country. This challenge also includes completing surveys on American Indian land holdings as well as public lands controlled by the Forest Service, U.S. Military, Bureau of Land Management and National Park Service. Public lands are important to include with private lands when planning land use and conservation for watersheds, landscapes, or ecological sites. NRCS is working cooperatively within the NCSS to accomplish these goals.

- Information management. NASIS, a part of the NCSS information system, is where soil scientists develop, manage, and deliver soil information to the public. Digital soil surveys enable customers to use electronic soil data in geographic information systems for generating maps tailored to their needs and performing complex resource analyses. NRCS delivers these data via the internet.
- Web Soil Survey. Several new features were added in FY 2006 that made the Web Soil Survey more user-friendly and improved map quality. The system was also moved to the Kansas City Web Farm to improve performance and accommodate more simultaneous users. Web Soil Survey, an interactive application, was implemented in FY 2005 to make soil maps, associated data and interpretations available online. New and historical soil surveys similar to traditional hard copy soil surveys are also published to the Web Soil Survey in Adobe Acrobat Personal Data File (PDF) format.
- Digital Soil Surveys. The NCSS develops and maintains two scales of soil surveys:
  - Soil Survey Geographic Data Base (SSURGO) is used primarily by landowners, townships, counties or parishes, and watershed hydrologic units for planning and resource management. It is the most detailed level of soil information.
  - United States General Soil Map (STATSGO) is used primarily for multi-county, State, river basin planning and resource management and monitoring.
- Technical Soil Services. The soil technical assistance function focuses primarily on providing diversified products and assistance in using soil information through USDA service centers.

#### Selected Examples of Recent Progress

- Acres Mapped. Soil surveys have been prepared on over 2.1 billion acres. During FY 2006, NRCS soil scientists mapped or updated 34.5 million acres, and another 1.1 million acres were mapped or updated by other Federal, State, and local agencies in cooperation with NRCS for a total of 35.6 million acres mapped. Of this total, about 1.8 million acres were on American Indian and Alaskan Native lands. State, local, and other Federal agencies involved in the NCSS provided about 10 percent of the funds and 12 percent of the personnel services used to produce soil maps and interpretative data. Soil mapping priorities are directed toward completion of all previously unmapped private lands and updating mapping and interpretations to meet current user needs and requirements.
- Soil Survey accomplishments on American Indian and Alaska Native lands. NRCS invested \$1.4 million in FY 2006 to accelerate soil survey mapping on American Indian and Alaska Native lands, resulting in 1.8 million acres mapped or updated. In addition, 13 survey areas were published and 16 surveys digitized with significant American Indian lands (>500 acres/survey area).
- Digitized Soil Surveys. During FY 2006, NRCS and NCSS partners digitized 351 soil surveys to national digitizing standards. A total of 2,730 digitized surveys are now available. This is part of an initiative to digitize all modern soil surveys. National digitizing standards for soil surveys have been developed that are consistent with Federal Geographic Data Committee standards.
- Soil Surveys Released. Soil surveys for 126 counties or survey areas were released in FY 2006, representing 88 million acres. In addition to hard copy, most of these surveys were published on the Web Soil Survey internet application for public access. In FY 2006, NRCS distributed nearly 1,570 SSURGO soil surveys by CD-ROM, about 13,570 by DVDs and about 188,810 through downloads from the internet. NRCS also distributed 16 STATSGO soil surveys by CD-ROM, 11 by DVD and nearly 15,940 through downloads from the internet.
- Soil Surveys Used Interactively Online. In FY 2006, the first full year of Web Soil Survey, the website logged nearly 692,000 user visits and nearly 1.9 million hits. In FY 2006, the use per day

averaged nearly 1,840. The September average (2,596) was 41 percent more than the 12 month average.

- **Technical Analysis and Tool Development.** The Soil Survey Laboratory (SSL) of the National Soil Survey Center provides analytical support which includes research and methods development and testing, as well as analyses to support on-going soil surveys around the Nation. In FY 2006, SSL performed nearly 199,890 analyses, a 14 percent increase from FY 2005 and 54 percent increase from FY 2004. The recently revised Soil Survey Laboratory Methods Manual is now used in 58 foreign countries and scores of universities, private offices and State and Federal offices. The NSSC and the National Geospatial Development Center (NGDC) collaborated on protocols used to review and award proposals from NCSS cooperators, and to track progress and results from those research efforts.

#### **National Cooperative Soil Survey Progress**

**Arizona Soil Surveys on Tribal Lands.** NRCS completed 60 percent of the soil surveys on 6.6 million acres of Tribal lands on the Navajo Nation and the San Carlos Indian Reservation in Arizona. NRCS continues to provide NCSS support to BIA's effort to map and complete two additional soil surveys covering 5.1 million acres on the Navajo Nation. This structure established excellent relationships with Tribal members, chapters, grazing districts, and throughout Tribal government. The NCSS cooperative relationship has also been effective in promoting land stewardship and soil survey awareness through youth workshops and requested training sessions for Tribal members. A high level of efficiency and accuracy has also been attained by incorporating the latest geographic information system (GIS) tools and information. Multi-spectral satellite and digital elevation data analysis are two of several new tools being used for more effective pre-mapping and data collection. The GIS technology improvements and partnerships have improved mapping production approximately 25 percent over similar, recently completed surveys.

**Updated Land Resource Regions and Major Land Resource Areas Publication.** In FY 2006, NSSC revised and expanded "Land Resource Regions and Major Land Resource Areas of the United States, the Caribbean, and the Pacific Basin" (USDA Agriculture Handbook 296, Version 3). The new version includes 39 new Major Land Resource Areas (MLRAs), two new Land Resource Regions (LRRs) with enhanced and expanded descriptions of both based on data from the 1997 National Resource Inventory. It also includes water-use information and updated climate information based on the most recent Parameter-based Regression on Independent Slopes Model (PRISM). The publication is available in both hardbound and electronic versions. The land areas are based on similarities in climate, geology, soils, and land use. This publication is a basis for targeting efforts regarding national and regional land resource issues, such as the extrapolation of research results across political boundaries and organizing and operating conservation and other land resource and management programs. The publication was last revised in 1981.

**Soil Survey Data Speeds Up Hurricane Recovery in Louisiana.** Soil survey data speeded up recovery efforts following the 2005 hurricanes. Hurricanes Katrina and Rita devastated southern portions of Louisiana leaving millions of tons of silt, sediment, and debris in thousands of waterways. Wetland legislation restricted excavation and clean-up of these waterways to pre-storm depths only. NRCS soil scientists developed a recognition process that allowed them to determine the contact between pre- and post-storm deposits within the waterways. The U. S. Army Corps of Engineers and Louisiana Department of Natural Resources declared the process acceptable for Clean Water Act purposes. Because of the new process, debris was successfully removed from miles of streams, bayous, rivers, and lakes without the delay of lengthy permitting processes. The hurricanes produced deaths of both wild and domesticated animals and quickly finding suitable burial sites became a high priority. Interpretation maps derived from soil survey maps and data allowed emergency responders to quickly locate sites suitable for animal disposal, a standard soil survey interpretation. Use of these soil survey interpretations saved many hours of on-site evaluations that would have been the only other alternative, had the soil survey maps not been available.

**NRCS Provides Critical Soil Interpretations for Catastrophic Event Recovery.** NRCS is helping to alleviate the shortcomings identified in the response to Hurricane Katrina with preparedness and response strategies and products for various catastrophic events. An NSSC team of soil scientists, geologist, soil chemist, and soil physicists developed a suite of new national soil interpretation regarding the disposal of debris ranging

from animal carcasses to inorganic building materials. The new interpretations provide the U.S. Department of Homeland Security with basic products for use in the planning and preparedness stages and for use in developing mitigating measures at the national, regional, and local levels. NRCS soil scientists at the local level ambitiously populated the soil data required for generating the new interpretations in the NASIS database. These interpretations can now be accessed online through the Soil Data Mart (<http://soildatamart.nrcs.usda.gov>) and the Web Soil Survey (<http://websoilsurvey.nrcs.usda.gov>). The new interpretations include: 1) catastrophic mortality pit and trench, 2) rubble and debris disposal (large scale event), 3) site for surface and subsurface composting facility, 4) soil suitability for clay liner, and 5) soil suitability for composting medium and final cover.

Software Saves 1.5 Hours Per Pedon Entry. The Pedon PC software coupled with Tablet PC saves field soil scientists about 1 to 1.5 hours from the traditional paper to database conversion for each pedon entry. NGDC in collaboration with the West Texas Telecommunications Project has developed software to capture point data (Pedon PC) and locations by global positioning or GPS (Auto Population) on Tablet PCs. The Pedon PC program along with a Tablet PC eliminates the need for cumbersome paper records, with subsequent data input and allows for direct database input.

World Congress of Soil Science. The 18th World Congress of Soil Science in Philadelphia brought together more than 2,200 soil scientists from more than 100 countries. The scientific program focused on soil science advances with an emphasis on a number of information science and technology applications. The NRCS exhibit *Soils - the Foundation of Life*, produced for the event, highlighted NRCS technologies and data resources used for soil survey and resource assessment. More than 1,500 copies of Agency maps, posters, and technical publications were provided to participants. NRCS provided hands-on demonstrations of Web Soil Survey, Soil Data Mart, and other NRCS internet resources. This international event is held every four years and was last held in the United States in 1960.

**PART Assessment.** During FY 2003, a Program Assessment Rating Tool (PART) assessment was conducted on the Soil Survey Program. The assessment found the Soil Survey to be “Moderately Effective” and suggested the Agency strengthen the program’s long-term performance measures and efficiency measures. In response to the assessment, staffing costs are more accurately reflected in the Total Cost Accounting System (TCAS), and the long-term and efficiency performance measures and their associated baselines and targets are improved.

During FY 2006, an assessment was conducted on the Conservation Operations (CO) Account which includes four programs (Conservation Technical Assistance, Soil Survey, Plant Materials, and Snow Survey and Water Forecasting). CO was determined to be “Moderately Effective.” The assessment found that CO operates efficiently and effectively. NRCS has made its State allocation process more transparent by tracking non-field level activities including those of contractors and partnering organizations, and linking performance to budget allocations.

To improve the performance of CO, NRCS has:

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## SNOW SURVEY AND WATER SUPPLY FORECASTING

### Current Activities

**Purpose:** The purpose of the Snow Survey and Water Supply Forecasting (SS/WSF) Program and the National Water and Climate Center (NWCC) is to lead the development and transfer of water and climate information and technology which support natural resources conservation. The SS/WSF Program consists



of NRCS staff in the 12 western states (Alaska, Arizona, California, Colorado, Idaho, Montana, New Mexico, Nevada, Oregon, Washington, Utah, and Wyoming) and Washington, D.C.

**Water and Climate Monitoring.** Snowmelt provides approximately 80 percent of the streamflow in the West. The NRCS conducts snow surveys in a partnership that includes other Federal, State, and local agencies, power companies, irrigation districts, and the Provincial Government of British Columbia, Alberta and the Yukon Territory. Natural resource data from 935 manual snow courses, 732 automated SNOwpack TELEmetry (SNOTEL) sites, 756 stream gauges, 328 reservoirs, and 1,532 climatological observing stations are integrated to create basin and watershed analysis and water supply forecasts for 748 water supply forecast points using an automated database and forecasting system. Over 16.1 million accesses to snow survey, water supply forecast, and soil moisture data and products by water users and managers were tallied during FY 2006; an increase of 38 percent from FY 2005.

SNOTEL. The SNOTEL network increased by 14 sites in FY 2006 to 732. New sites were installed in Washington (2), Alaska (7), Oregon (2), Idaho (1), Wyoming (1), and New Mexico (1). SNOTEL collects the vast majority of the critical, high elevation snowpack and climate data used to monitor water yields in the mountainous West. SNOTEL plays a key role during flooding and other life threatening snow related events by providing hourly precipitation, temperature, and snowpack depletion information that improves flood forecasts. Snowpack information enables emergency management agencies to effectively mitigate flood damage, potentially months in advance of the spring snowmelt, and to prepare and mitigate the effects of drought. To improve data quality and reliability, the program focused on a systematic review of the SNOTEL temperature record in order to provide high quality data records for climate change research.

Several new products were added to the SNOTEL section of the NWCC homepage during the past year. New products include a Google Earth interface to interactively navigate and view SNOTEL station data and high quality maps of daily, monthly, and seasonal SNOTEL snowpack, precipitation, temperature, and snow depth. These products are available at: <http://www.wcc.nrcs.usda.gov/snow>

SNOTEL Data Quality. The NWCC, in partnership with Oregon State University, started a joint project to systematically improve the quality of SNOTEL temperature data collected by the network since 1982. Temperature information from this unique high elevation network is critical for monitoring climate variability and snowpacks in the mountainous West. SS/WSF personnel will certify the dataset and make it available to the public and research community in spring of 2007.

Soil Climate Analysis Network (SCAN). SCAN provides users with near real-time climate and soil moisture and soil temperature information via the Internet. During FY 2006, the 39 state network was expanded from 120 to 126 sites and SCAN data downloads increased 40 percent to 1.045 billion. New SCAN sites were installed in Nebraska (1), Puerto Rico (1), Alabama (3) and Nevada (1). This cooperative program is funded through Federal and non-Federal partnerships to support conservation operations and soil survey work. SCAN information also supports drought monitoring and mitigation as part of the Western Governors' National Integrated Drought Information System (NIDIS), flood risk assessments, crop productivity, disease and insect infestation modeling and a wide variety of NRCS Global Change research activities. SCAN also provides data required for soils research, water balance models, watershed planning and weather forecast models. The data from these sites provides real-time information to support soil-climate monitoring and provide information for better land and water resource management. SCAN data are available at <http://www.wcc.nrcs.usda.gov/scan>.

**Water and Climate Services.** The Water and Climate Services Branch provides water supply forecasts for the western United States and climate services for the entire Nation.

Water Supply Forecasts. Water supply forecasts are produced from January through June in partnership with the National Weather Service. During the 2006 forecast season, the SS/WSF Program issued 11,534 seasonal water supply forecast information products. Major cooperators include the Bureau of

Reclamation, Corps of Engineers, Bonneville Power Administration, State and local agencies, power utilities, irrigation districts, Tribal Nations, Canada, and Mexico.

Agricultural, municipal, industrial, hydropower, and recreational water users are the primary recipients of these forecasts. Recent Federal legislation related to endangered species protection has increased the number of fish and wildlife management activities. Water supply forecasts: (1) help irrigators make effective use of limited water supplies for agricultural production needs, (2) assist the Federal government in administering international water treaties with Canada and Mexico, (3) assist State governments in managing intrastate streams and interstate water compacts, (4) assist municipalities in managing anticipated water supplies and drought mitigation, (5) are used in the operation of reservoirs to satisfy multiple use demands, (6) are used to mitigate flood damages in levied areas and downstream from reservoirs, and (7) support fish and wildlife management activities associated with species protection legislation.

#### Western Water Supply - Water Year 2006 in Review.

- **Precipitation:** The water year began with above average fall precipitation in the Pacific Northwest and northern California and extremely low precipitation in the Southwest. The Southwest had an extended period of extremely low precipitation, with Arizona and New Mexico recording less than 50 percent of average. Dry conditions persisted until a monsoon brought heavy precipitation and flooding.
- **Snowpack:** Western snowpacks started above average in the Pacific Northwest and improved; snowpacks in the Southwest started at less than 50 percent of average and then set many new low snowpacks records. On March 1, record low snowpacks were recorded at 53 of 61 SNOTEL sites in New Mexico and Arizona. By April 1, 2006, the Pacific Northwest and northern California reported above average snowpacks, with other areas reporting near to slightly below average snowpacks, and Southwest snowpacks were near record lows. Extremely warm and dry conditions in April left some locations snow-free much earlier than normal. Alaska snowpack was near to slightly below average.
- **Streamflow:** Many April 1 streamflow forecasts for the Southwest were for seasonal runoff of 50 percent or less. Streamflow forecasts were above average in northern Colorado and Utah, southern and western Wyoming, northern Nevada, southern Idaho, the Sierras of California, most of Oregon, southwestern Washington, and parts of western Montana. Near, to slightly below average streamflow was forecast for parts of British Columbia, western Montana, northern Wyoming and southern Utah, southwestern Colorado and Alaska. The exceptionally warm and dry conditions during April and May in Colorado resulted in below average streamflow after an encouraging winter snowpack. The active summer monsoon resulted in well above average summer streamflow in many Arizona and New Mexico basins; however, spring and summer runoff remained below average for most major river systems. Additional water supply forecast information can be found at <http://www.wcc.nrcs.usda.gov>.

**Water Supply Technology Development.** At the end of FY 2006, SS/WSF released a new water supply forecasting software program that increased understanding of water supply forecasts through improved visuals and flexibility. This new software runs on a laptop, meets Continuity of Operations criteria, and uses MS Office tools to efficiently process and display critical information needed to produce water supply forecasts. A collaborative effort with the U.S. Geological Survey has resulted in the implementation of a hydrologic simulation model for 16 basins in the West. The simulation model provides water managers with information describing the time and magnitude of peak flows during the snowmelt season and low flow information during the end of the growing season to determine water rights.

**Climate Services Technology Development.** The Agricultural Applied Climate Information System (AgACIS) has been integrated with the NRCS electronic Field Office Technical Guide to provide access to historical and real-time climate information for over 8,000 climate stations. Updated average monthly and annual precipitation, average monthly and annual maximum and minimum temperatures for the period 1971-2000 were made available to the NRCS and the public to improve natural resource management.

**Information Systems.** The database and forecast system maintained by the NWCC Information Systems supports a wide variety of software for water supply forecasting, water and climate data analyses, and other products used by a wide variety of NRCS disciplines. These products support water resource management

and related natural resource conservation activities at NRCS national, State, and field offices. During FY 2006, more than 16 million information accesses and downloads of data were made from the NWCC website. Fifty-three percent of the accesses were by commercial users, 21 percent by Federal government, and four percent by educational users. NRCS continued to support delivery of hourly SNOTEL and SCAN data from more than 858 remote sites. The NWCC has initiated a web services protocol for users to access specific snowpack and climate information from a secured server. The web service reduces the NWCC resources required to maintain a variety of legacy products provided to power users who can now download only the data they need instead of sifting through a wide variety of static products. NWCC Information Systems has moved aggressively to meet USDA Office of Chief Information Officer guidelines for e-authentication of all users and has obtained security clearances for all employees and contractors.

**PART Assessment.** During FY 2003, a Performance Assessment Rating Tool (PART) assessment on the SS/WSF program rated the program as “Results Not Demonstrated.” After NRCS refined its long-term measures and identified baselines for the measures, a reassessment in FY 2004 found the program to be “Moderately Effective.”

During FY 2006, an assessment was conducted on the Conservation Operations (CO) Account which includes four programs (Conservation Technical Assistance, Soil Survey, Plant Materials, and SS/WSF). CO was determined to be “Moderately Effective.” The assessment found that CO operates efficiently and effectively. NRCS has continued to automate snow-water data collection to make the program more efficient; track non-field level activities, including those of contractors and partnering organizations; and link performance to budget allocations.

To improve the performance of CO, NRCS has:

- Initiated implementation of a 5-year comprehensive budget and performance strategy aligned with the Strategic Plan,
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## **PLANT MATERIALS CENTERS**

### **Current Activities**

NRCS operates and provides technical assistance to Plant Materials Centers (PMCs) for developing conservation systems using plant materials. PMC service areas cover all 50 States and territories. NRCS established the Agency’s 27th PMC in Fallon, Nevada, on land leased from the University of Nevada. This PMC serves the Great Basin region with the evaluation and selection of plants and technology for this extremely arid region. Each PMC has a service area defined by ecological boundaries and addresses high-priority conservation problems within each of their service areas.

NRCS operates 25 of the PMCs; State or local governments operate the PMCs at Meeker, Colorado, and Palmer, Alaska, with NRCS funding or technical assistance. NRCS owns the land where 12 PMCs operate. Conservation districts, State agencies, nonprofit institutes, or other entities own the land where the other 15 PMCs operate.

PMCs a) develop technology for the effective installation, use, and maintenance of plants, b) assemble, test, select, release, and provide for the commercial production of plants to protect and conserve our natural resources, and c) provide appropriate training and education to NRCS staff, partners, and the public. The Plant Materials Program provides effective vegetative solutions to conservation problems.

PMC plants, plant technology, and management practices are key products and services used by customers in the successful implementation of other USDA conservation programs such as CRP, EQIP, GLCI, and

WHIP. With plants and plant technology, PMCs improve grazing lands, wetland and wildlife conservation habitat, buffers and riparian areas, and areas susceptible to soil erosion. PMC plants and technology slow the spread of invasive species and improve critical habitats for threatened and endangered species.

Development and use of plant technology is one of NRCS' foundation products and services. PMCs are placing special emphasis on the following activities that are aligned with the USDA and NRCS Strategic Plans, and specific conservation problems within each PMC service area:

1. Protection and revegetation of land greatly affected or completely devastated by hurricanes, floods, wildfires, and other natural disasters;
2. Plant materials technology support for wildlife species of concern, such as sage grouse and quail;
3. Continued development of plants useful for biofuels, such as switchgrass;
4. Protection of grazing and other natural resources (range, pasture, and forestland) by developing productive, longer-lived drought tolerant native varieties, and managing desirable native plants to control the spread of noxious weeds;
5. Control of introduced weeds and restoration of areas where weeds have invaded;
6. Reduction of erosion from cropland by selection of cover crops and development of systems for their use to provide winter cover on low residue crops;
7. Improvement and protection of the quality of surface and groundwater by development of filter strips between cropland and streams, plants and technology for bio-terraces, and artificial wetlands for removing pollutants from waste water;
8. Creation, restoration, or management of wetlands;
9. Development of plants and plant technology for mitigation of air quality in the vicinity of poultry, swine, and beef operations; and
10. Acceleration of commercial production of previously released conservation plants in high demand for use in conservation programs.

#### **Selected Examples of Recent Progress**

**Comparative Plant Testing.** During FY 2006, over 11,700 plant collections were comparatively evaluated in more than 70,000 plots by the PMCs. The final evaluation of new plants and cultural methods is made on farms and ranches under actual use conditions; these field tests are now underway at over 1,930 sites. Plants were evaluated for protecting range, pasture and forest resources; cropland cover crops; wetlands; plants useful for biofuels; stabilizing critical areas such as sand dunes, streambanks, and shorelines, road cuts and fills, utility corridors and surface mined lands; introducing grass hedges, buffer strips, replacement of annual forage plants with perennials, wind breaks to protect cropland; and mitigation of air quality. Current emphasis is placed on the collection and evaluation of native plant materials for these uses.

**Plant Releases for Commercial Production.** NRCS released 25 new plants—six more than in FY 2005—to commercial growers during FY 2006. These 25 join approximately 390 improved varieties in commercial production and used in conservation programs. PMCs select and then distribute plants for conservation uses to the commercial sector for sale to the public. PMCs do not sell or give plants directly to the public. Production by commercial seed growers and nurseries has a market value of more than \$100 million per year. These join about 645 different varieties of conservation plants that have been released to commercial producers.

State	Release Name	Common Name	Anticipated Use
AZ	Vegas Germplasm	alkali sacaton	restoration and rehabilitation of riparian systems, wildlife habitat improvement, restoration of disturbed areas and for increasing plant diversity
	Pima Germplasm	whiplash pappusgrass	rangeland restoration in southern Arizona

State	Release Name	Common Name	Anticipated Use
CA	LK621E Germplasm	western needlegrass	erosion control and quick, self perpetuating-cover; forage for cattle, sheep, horses and deer forage when young
FL	Ghost Rider Germplasm	chalky bluestem	forage, wetland restoration, wildlife cover
	Morning Mist Germplasm	hairawn muhly	xeriscaping, and as an ornamental
LA	Timbalier Germplasm	seacoast bluestem	back dune stabilization, and to increase species diversity for plants used to stabilize coastal beaches and barrier islands.
MI	Alcona Germplasm	Dellenius' tick trefoil	wildlife habitat
	Grant Germplasm	panicleleaf tick trefoil	wildlife food and as an alternative to introduced plant species.
MO	Midwest Premium Germplasm	American plum	wildlife habitat, erosion control, and for windbreaks.
	Refuge Germplasm	big bluestem	wildlife habitat, vegetative buffers, and landscape use.
	Central Iowa Germplasm	pale purple coneflower	roadside and wildlife plantings, prairie creations and restorations, landscaping and for increasing plant diversity in prairie communities
MT	Copperhead Germplasm	slender wheatgrass	reclamation of roadsides, acid-impacted mineland, rangeland, and urban disturbances
ND	'Prairie Red'	hybrid plum	windbreaks and wildlife
NJ	'Carthage'	switchgrass	wildlife habitat, buffers, pastures, and as a component of native plant mixes
NM	Westwater Germplasm	alkali muhly	erosion control, wildlife food and cover, restoration of disturbed sites and increasing plant diversity of riparian areas.
NY	Meadowcrest	eastern gamagrass	wildlife and vegetative filter strips in conjunction with other plants, and for forage production.
OR	Skamania Germplasm	Sitka alder	streambank stabilization, riparian restoration, wildlife habitat, reclamation of eroded, disturbed, low fertility sites, companion nurse tree in conifer plantations, soil building
TX	San Marcos Germplasm	eastern gamagrass	pasture and hay plantings, range seeding, wildlife food and cover, conservation buffers, erosion control
	Mariah Germplasm	hooded windmill grass	roadside plantings, range seeding, critical site revegetation
	Welder Germplasm	shortspike windmill grass	roadside plantings, critical area revegetation
	Crockett Germplasm	herbaceous mimosa	ground cover for surface mine reclamation and disturbed areas
	KIKA677 Germplasm	KIKA677	range seeding, wildlife habitat
	KIKA819 Germplasm	KIKA819	range seeding, wildlife habitat

State	Release Name	Common Name	Anticipated Use
	KIKA820 Germplasm	KIKA820	range seeding, wildlife habitat
	KIKA648 Germplasm	KIKA648	range seeding, wildlife habitat

**Technology Products.** Written technical notes, Field Office Technical Guide and web-postings, and oral presentations transfer new information to end-users. Fiscal Year 2006 accomplishments include:

Major Item Measured	Sub-item Measured	# Units
Plant Releases	Cultivar releases	4
	Tested releases	3
	Selected releases	17
	Source Identified releases	1
	<b>Total Releases</b>	<b>25</b>
Written Technology Transfer	Technical Notes	53
	Brochures & Flyers	43
	Plant guides & fact sheets	55
	Popular articles & Progress Reports	155
	Refereed publications	4
	Published symposia & posters	17
	Other types of documents	124
<b>Total Written Technology Transfer</b>	<b>451</b>	
Oral Technology Transfer	Training Sessions	222
	Tours presented	90
	Local/State presentations	149
	Regional presentations	91
	National/International presentations	24
<b>Total Oral Technology Transfer</b>	<b>576</b>	

**Plant Materials Homepage.** The Plant Materials Program homepage (<http://plant-materials.nrcs.usda.gov>) provides useful, state-of-the-art information on plants. During FY 2006, over 150 technical publications were added to the website, bringing the total of publications available for downloading to approximately 1,350. The homepage relies on several inter-linked databases to provide information electronically. Information available on the homepage includes plant fact sheets; sources of releases, cultivars, or other plant materials (i.e., from vendors); technical publications; and information on individual plant centers. The site expanded the information available to NRCS Field Offices and other users.

**Plants for Solving Conservation Problems.** The Plant Materials Program places emphasis on using plants to solve conservation problems. A few representative examples will illustrate this effort.

- **Protection and Rehabilitation after Hurricanes.** Protection and rehabilitation from damage caused by hurricanes has presented a major challenge to land managers. The Plant Materials Program provides materials and technology to help protect and rehabilitate both private and public lands. Centers along the Atlantic and Gulf Coasts are updating their dune stabilization technology to provide the best information to coastal communities. Assistance is actively provided by plant materials centers or specialists in Louisiana, Texas, Florida, Georgia, Mississippi, and New Jersey.
- **Plants for carbon sequestration and biofuels.** To meet energy and global climatic concerns, PMCs are investigating native plants with a greater above- and below-ground biomass with potential for sequestering more carbon and reducing the amount of atmospheric carbon dioxide. At the same time, plants with more biomass show promise for use as an alternative fuel. PMCs in Michigan, New York, Georgia, Kansas, Texas, and Mississippi lead in this work.

- **Wildlife.** Resource conservation and land management practices place emphasis on creating favorable habitat for wildlife species along with providing suitable forage for their use. The Plant Materials Program released 16 plants that benefit wildlife. During the past year, centers in Colorado, Georgia, Michigan, Missouri, New York, and Hawaii have been active in this area.
- **Weeds.** Exotic, noxious weeds pose a serious threat to the integrity and health of natural ecosystems throughout the country. PMCs conducted a series of nationwide studies that strive to either control or suppress weeds, or to find suitable replacements for invasive species once control is achieved. Centers in Washington, Montana, Florida, and New Mexico have worked with problem species such as yellow starthistle, cheatgrass, knapweed, Canada thistle, and cogon grass.
- **Wetland Restoration.** Wetlands continue to be an important environmental concern, with a critical need for plant materials suited to their restoration and maintenance. PMCs in Louisiana, Michigan, New Jersey, and Idaho have worked on this problem.
- **Rehabilitation after Wildfires.** The Plant Materials Program provides materials and technology to help protect property from the risks of wildfires, as well as methods and materials to enable improved rehabilitation for both private and public lands after fires occur. Assistance is actively provided by PMCs or specialists in Idaho, Washington, Arizona, New Mexico, Colorado, California, Nevada, and Montana.

**Cooperation with Other Agencies and Partners.** PMCs cooperation with other agencies and partners improves the quality and efficiency of plant identification, testing and evaluation. Employees of other government agencies and conservation districts collect thousands of plants annually to find valuable species for solving conservation problems. The cooperation also extends to the testing of new materials and technology. PMCs are working extensively with the Agricultural Research Service (ARS), Forest Service, and Bureau of Land Management on the restoration of degraded rangeland and the revegetation of lands scarred by wildfires. PMCs in the northeast United States are working with the ARS to test the nutrition and regrowth of native grasses for use as forage in pastures. These partnerships and other similar ones expand the efforts by PMCs to accomplish work which would not be possible by PMCs acting alone.

**PART Assessment.** During FY 2003, a Program Assessment Rating Tool (PART) assessment was conducted on the Plant Materials program rated the program as "Results Not Demonstrated." In response to the assessment, NRCS established long-term measures and associated baselines and targets, as well as an efficiency measure. During FY 2005, Plant Materials was reassessed and determined to be "Moderately Effective." The reassessment found the program to be effectively managed and its long-term and efficiency measures to be adequate. Following the reassessment, NRCS has continued to improve program performance by using the Plant Materials efficiency measure to improve the program's cost effectiveness, and by collecting and using performance data.

During FY 2006, an assessment was conducted on the Conservation Operations (CO) Account which includes four programs (Conservation Technical Assistance, Soil Survey, Plant Materials, and Snow Survey and Water Forecasting). CO was determined to be "Moderately Effective." The assessment found that CO operates efficiently and effectively. NRCS has made its State allocation process more transparent by tracking non-field level activities including those of contractors and partnering organizations, and linking performance to budget allocations.

To improve the performance of CO, NRCS has:

- Initiated implementation of a 5-year comprehensive budget and performance strategy aligned with the Strategic Plan,
- Improved program management by conducting an independent review of the allocation formulas, and
- Evaluated efficiency gains across administrative boundaries.

NATURAL RESOURCES CONSERVATION SERVICE  
**Watershed Surveys and Planning**

Estimate, 2007.....	\$6,022,000
Budget Estimate, 2008 .....	--
Decrease in Appropriations.....	<u>-6,022,000</u>

**Summary Of Increases And Decreases  
(On basis of appropriation)**

<u>Item of Change</u>	2007		Program	2008
	<u>Estimated</u>	<u>Pay Costs</u>		
Watershed Surveys and Planning .....	<u>\$6,022,000</u>	--	-\$6,022,000	--

**Project Statement  
(On basis of appropriation)**

<u>Program</u>	<u>2006 Actual</u>		<u>2007 Estimated</u>		<u>Increase</u> or <u>Decrease</u>	<u>2008 Estimated</u>	
	<u>Amount</u>	<u>: Staff:</u> <u>Years:</u>	<u>Amount</u>	<u>: Staff:</u> <u>Years:</u>		<u>Amount</u>	<u>: Staff</u> <u>Years</u>
Watershed Surveys	:	:	:	:	:	:	:
And Planning.....	\$6,010,000:	44:	\$6,022,000:	43:	-\$6,022,000:	--:	--
Unobligated Balance ...	12,000:	--:	--:	--:	--:	--:	--
Total Available or Est. ....	6,022,000:	44:	6,022,000:	43:	-6,022,000:	--:	--
Rescission.....	+61,000:	--:					
Total, Appropriation.....	<u>6,083,000:</u>	<u>--:</u>					

**Project Statement  
(On basis of available funds)**

<u>Program</u>	<u>2006 Actual</u>		<u>2007 Estimated</u>		<u>Increase</u> or <u>Decrease</u>	<u>2008 Estimated</u>	
	<u>Amount</u>	<u>: Staff:</u> <u>Years:</u>	<u>Amount</u>	<u>: Staff:</u> <u>Years:</u>		<u>Amount</u>	<u>: Staff</u> <u>Years</u>
Direct Obligations	:	:	:	:	:	:	:
Watershed Surveys	:	:	:	:	:	:	:
And Planning.....	\$6,010,380:	44:	\$6,022,000:	43:	-\$6,022,000(1):	--:	--
Unobligated balance	:	:	:	:	:	:	:
Lapsing.....	(+11,620)	--:	--:	--:	--:	--:	--
Adjusted Appropriation....	(6,022,000)	--:	(6,022,000)	--:	(-6,022,000)	--:	--
Reimbursable Oblig .....	186,823:	3:	200,000:	2:	-200,000	--:	--
Total, Obligational	:	:	:	:	:	:	:
Authority .....	<u>6,197,203:</u>	<u>47:</u>	<u>6,222,000:</u>	<u>45:</u>	<u>-6,222,000</u>	<u>--:</u>	<u>--</u>



**Justification of Increases and Decreases**

- (1) A decrease of \$6,022,000 for Watershed Surveys and Planning (\$6,022,000 available in 2007) consisting of:

With the elimination of Watershed and Flood Prevention Operations, continuation of the planning component is no longer necessary. The fiscal year 2008 budget proposes to redirect this program's resources to other higher priority programs. Since the benefits are highly localized, local sponsoring organizations as well as State and local governments are expected to assume a greater role in identifying and addressing water resource problems.

**NATURAL RESOURCES CONSERVATION SERVICE  
Watershed Surveys and Planning**

**Geographic Breakdown of Obligations and Staff Years  
2006 Actual and Estimated 2007 and 2008**

	2006		2007		2008	
	Amount	Staff Years	Amount	Staff Years	Amount	Staff Years
Alabama .....	\$6,128	--	\$6,100	--	--	--
Alaska.....	306,036	2	306,600	2	--	--
Arizona.....	80,545	1	80,700	1	--	--
Arkansas.....	131,987	1	132,200	1	--	--
California .....	462,574	4	463,500	4	--	--
Colorado.....	99,592	1	99,800	1	--	--
Connecticut .....	75,612	1	75,800	1	--	--
Delaware .....	30,938	--	31,000	--	--	--
Florida .....	83,117	--	83,300	--	--	--
Georgia.....	92,618	1	92,800	1	--	--
Hawaii .....	183,661	1	184,000	1	--	--
Idaho.....	44,993	--	45,100	--	--	--
Illinois .....	--	--	--	--	--	--
Indiana.....	--	--	--	--	--	--
Iowa.....	674,556	6	675,900	5	--	--
Kansas .....	131,027	1	131,300	1	--	--
Kentucky .....	10,152	--	10,200	--	--	--
Louisiana .....	71,132	1	71,300	1	--	--
Maine .....	20,862	--	20,900	--	--	--
Maryland .....	32,400	--	32,500	--	--	--
Massachusetts.....	136,569	1	136,800	1	--	--
Michigan .....	--	--	--	--	--	--
Minnesota.....	296,130	3	296,700	3	--	--
Mississippi .....	--	--	--	--	--	--
Missouri .....	142,760	1	143,000	1	--	--
Montana .....	79,493	1	79,600	1	--	--
Nebraska.....	162,650	1	163,000	1	--	--
Nevada .....	--	--	--	--	--	--
New Hampshire.....	97,866	--	98,100	--	--	--
New Jersey.....	60,761	1	60,900	1	--	--

	2006		2007		2008	
	Amount	Staff Years	Amount	Staff Years	Amount	Staff Years
New Mexico.....	72,188	1	72,300	1	--	--
New York.....	13,100	--	13,100	--	--	--
North Carolina.....	--	--	--	--	--	--
North Dakota.....	--	--	--	--	--	--
Ohio.....	--	--	--	--	--	--
Oklahoma.....	--	--	--	--	--	--
Oregon.....	442,670	3	443,500	3	--	--
Pacific Basin.....	32,743	--	32,800	--	--	--
Pennsylvania.....	57,782	1	57,900	1	--	--
Puerto Rico.....	--	--	--	--	--	--
Rhode Island.....	80,468	1	80,600	1	--	--
South Carolina.....	118,125	1	118,400	1	--	--
South Dakota.....	26,506	--	26,600	--	--	--
Tennessee.....	60,906	1	61,000	1	--	--
Texas.....	93,816	1	94,000	1	--	--
Utah.....	--	--	--	--	--	--
Vermont.....	8,232	--	8,200	--	--	--
Virginia.....	101,317	1	101,500	1	--	--
Washington.....	36,747	--	36,800	--	--	--
West Virginia.....	113,392	1	113,600	1	--	--
Wisconsin.....	18,340	--	18,400	--	--	--
Wyoming.....	235,253	2	235,700	2	--	--
National Hdqtr.....	854,964	2	856,600	2	--	--
National Centers.....	72,433	1	72,600	1	--	--
Nat. Tech. Sup. Cent. ....	57,239	--	57,300	--	--	--
Subtotal, Available/Est....	6,010,380	44	6,022,000	43	--	--
Unobligated Balance .....	11,620	--	--	--	--	--
Total Available/Est.....	6,022,000	44	6,022,000	43	--	--

NATURAL RESOURCES CONSERVATION SERVICE  
Watershed Surveys and Planning

**Classification By Objects**  
**2006 Actual and Estimated 2007 and 2008**

Personnel Compensation:	<u>2006</u>	<u>2007</u>	<u>2008</u>
Washington, D.C. ....	\$309,429	\$310,000	--
Field.....	<u>3,098,049</u>	<u>3,102,000</u>	<u>--</u>
11 Total personnel compensation .....	3,407,478	3,412,000	--
12 Personnel benefits .....	943,292	944,000	--
13 Benefits for former personnel .....	<u>1,879</u>	<u>2,000</u>	<u>--</u>
Total pers. comp. & benefits.....	<u>4,352,649</u>	<u>4,358,000</u>	<u>--</u>
Other Objects:			
21 Travel.....	141,303	141,000	--
22 Transportation of things .....	12,504	12,000	--
23.1 Rent payments to GSA.....	--	--	--
23.2 Rental payments to others .....	184,458	184,000	--
23.3 Communications, utilities, and misc. charges.....	125,644	126,000	--
24 Printing and reproduction.....	20,746	21,000	--
25.1 Advisory and assistance services ....	--	--	--
25.2 Other services .....	881,085	888,000	--
25.2 Construction contracts .....	--	--	--
26 Supplies and materials .....	182,179	182,000	--
31 Equipment.....	109,717	110,000	--
32 Land and structures .....	--	--	--
41 Grants.....	--	--	--
42 Insurance and loans.....	30	--	--
43 Interest and dividends .....	65	--	--
44 Refunds .....	<u>--</u>	<u>--</u>	<u>--</u>
Total other objects.....	<u>1,657,731</u>	<u>1,664,000</u>	<u>--</u>
Total, direct obligations.....	<u>6,010,380</u>	<u>6,022,000</u>	<u>--</u>

NATURAL RESOURCES CONSERVATION SERVICE  
WATERSHED SURVEYS AND PLANNING

STATUS OF PROGRAM

**Current Activities**

**Background:** The Watershed Protection and Flood Prevention Act, Public Law 83-566 (P.L. 83-566), established the Watershed Program (16 U.S.C. 1001-1011). Section 6 of the Act provided for the establishment of the River Basin Surveys and Investigation Program (16 U.S.C. 1006-1009). A separate appropriation funded these two programs until fiscal year 1996 when they were combined into a single appropriation, Watershed Surveys and Planning.

P.L. 83-566 provides the authority for NRCS to cooperate with other Federal, State, and local agencies in making investigations and surveys of river basins as a basis for the development of coordinated water resource programs. River basin surveys and floodplain management studies provide local decision-makers with an inventory and analysis of the resource status and trends in their watershed, and the impact this has on the community. It provides them with valuable information allowing them to better understand the cause and effect relationships of changes taking place in their watersheds and communities. Authorities include cooperative river basin studies, floodplain management studies, flood insurance studies, and interagency coordination and program formulation. Investigation and survey reports serve as guides for the development of water, land, and related resources in agricultural, rural, and urban areas within upstream watershed settings. They also serve as a basis for coordination with major river systems and other phases of water resource management and development.

P.L. 83-566 also provides for watershed planning activities that are needed to conserve, distribute, develop, protect, restore, and use water. In watershed planning work, NRCS assists sponsoring local organizations develop plans on watersheds. The plans describe water quality, flooding, water and land management, and sedimentation problems and propose alternative conservation land treatments to conserve and protect land and related resources. These watershed plans form the basis for installing needed works of improvement and include estimated benefits and costs, cost-sharing, operation and maintenance arrangements, and other information necessary to justify the need for Federal assistance in carrying out the plan.

During FY 2006, NRCS obligated \$6 million of the available program funds for Watershed Surveys and Planning. This appropriation supports and benefits the NRCS Mission Goal of Clean and Abundant Water in two ways. First, the funds help improve and maintain surface waters and ground water to protect human health, support a healthy environment, and encourage a productive landscape. Second, the program funds help conserve and protect water to ensure a reliable water supply for the Nation. The NRCS homepage contains current information on programs administered by NRCS including the Watershed Surveys and Planning Program. The website is found at <http://www.nrcs.usda.gov/programs>.

While financial assistance through P.L. 83-566 is an important tool to implement the planned actions, sponsoring local organizations are encouraged to look to all sources of funding for implementation costs. Watershed plans and alternative conservation solutions are developed with the local stakeholders, without regard to potential funding sources from local, State and Federal sources. Alternative funding sources range from local bond issuance to State sponsored cost-shared programs. Many sponsors have gained access to implementation funds from other Federal agencies, such as the Environmental Protection Agency, Fish and Wildlife Service, and Federal Emergency Management Agency.

**Selected Examples of Recent Progress**

**Plan to Improve North Fork Powell River Watershed in Lee County, VA, Underway.** NRCS is developing a watershed plan to improve water quality by treating the abandoned mine lands, improving habitat for fish and aquatic organisms, and protecting riparian areas. The plan will identify the best treatment systems for acid mine drainage, revegetating critically eroding areas, and reducing pollution. It

will focus on the upland watersheds of the tributaries that feed the North Fork Powell River. To be completed in FY 2007, the plan is being developed with the Virginia Department of Mines, Minerals and Energy; the Daniel Boone Soil and Water Conservation District; and the Lee County Board of Supervisors. Also involved are the Virginia Departments of Game and Inland Fisheries, and Conservation and Recreation, as well as the U.S. Army Corps of Engineers and U.S. Fish and Wildlife Service.

Water quality in the North Fork Powell River fails to meet State water quality standards for primary recreation (swimming, fishing and wading) and the general standard for benthic organisms (total dissolved solids, conductivity and pH), according to the Virginia Department of Environmental Quality. The effects of 70 years of unrestricted underground and surface mining of coal prior to the passage of the Surface Mining Control and Reclamation Act (SMCRA) of 1977 caused widespread degradation of streams and aquatic ecosystems. The primary cause is acid mine drainage and excessive erosion of mine spoil materials without protective vegetative.

Historically, the Powell River and the Clinch River support diverse aquatic resources. There are 48 rare and vulnerable fish and mussel species, more than any other small watershed in the United States. Twenty-one of these species are Federally listed as threatened or endangered. The decline of more than 30 percent of the mussel species in the last century is directly related to the effects of the acid mine drainage. Released by acid mine drainage, the dissolved toxic metals attach to stream sediment and are absorbed by benthic algae. These toxics impact the host fish species that mussels depend upon during the larval stage of their life cycle. These toxics also lower the pH of the water which can kill juvenile fish and aquatic organisms.

**Overwhelming Acceptance of Floodplain Buyout in Dunloup Creek Watershed, WV.** Because of concentrated development along the stream, residents in the Dunloup Creek watershed faced repetitive flooding. The watershed in Fayette and Raleigh Counties, West Virginia, is classified as distressed, with low per capita income and very low housing values. Approximately 292 properties – almost all residential homes – are located within the 100-year floodplain.

Following floods in 2001, an NRCS study revealed that traditional structural measures (impoundments, levees, and channel modification, etc.) would not effectively reduce flooding. The NRCS recommended alternative was a voluntary floodplain buyout for an estimated 238 or 81 percent of the properties located in the floodplain. Participating eligible properties would be demolished and the floodplain returned to natural conditions. The emphasis would be to purchase occupied residences in the floodplain, although non-residential properties are eligible. Project benefits include reduced flood damages, increased human health and safety, better vector control, improved water quality, and improved air quality.

Community acceptance of the voluntary floodplain buyout has been overwhelming. Attendance at monthly meetings averaged over 100 people. Much of the planning effort has involved educating the community about issues related to living in a floodplain. The need for a cost-effective solution is evident by the continued interest in addressing the problem.

There are several partners and supporting entities for the Dunloup Creek Watershed Project. The Southern Conservation District and the West Virginia State Conservation Committee are the local sponsors. Others assisting in the development of the plan include the Dunloup Creek Watershed Association, New River Gorge National Park Service, Fayette and Raleigh County Commissions, and the Fayette County Office of Emergency Services.

**PART Assessment.** During FY 2004, a single Program Assessment Rating Tool (PART) assessment was conducted on three NRCS watershed programs (WSP, Watershed Protection and Flood Prevention Program and Watershed Rehabilitation Program) and resulted in a rating of "Adequate." In response to the findings, the Agency has continued to improve the long-term performance measures by refining annual measures, developing the baseline data and establishing ambitious targets, as well as developing program efficiency measures.

NATURAL RESOURCES CONSERVATION SERVICE  
**Watershed and Flood Prevention Operations**

	Watersheds Authorized by PL-534	Small Watersheds Authorized by PL-566	Total Watershed and Flood Prevention
Estimate, 2007 .....	\$3,500,000	\$36,500,000	\$40,000,000
Budget Estimate, 2008 .....	--	--	--
Decrease in Appropriations .....	<u>-3,500,000</u>	<u>-36,500,000</u>	<u>-40,000,000</u>

**Summary of Increases and Decreases  
(On basis of appropriation)**

<u>Item of Change</u>	<u>2007 Estimated</u>	<u>Pay Costs</u>	<u>Program Changes</u>	<u>2008 Estimated</u>
Watershed & Flood Prevention – Regular Appropriation:				
1. Watershed oper. auth by PL-534 .....	\$3,500,000	--	-\$3,500,000	--
2. Small watershed auth. by PL-566 .....	<u>36,500,000</u>	--	<u>-36,500,000</u>	--
Total Available .....	<u>40,000,000</u>	--	<u>-40,000,000</u>	--

**Project Statement  
(On basis of appropriation)**

<u>Program</u>	<u>2006 Actual Amount:Years:</u>	<u>2007 Estimated Amount :Years:</u>	<u>Increase or Decrease</u>	<u>2008 Estimated Amount : Years</u>
Watershed & Flood Prevention – Regular Appropriation:				
1. Watershed Operations	:	:	:	:
Authorized by PL-534:	:	:	:	:
(a) Technical assistance ...	\$3,960,000: 28:	\$1,600,000: 16:	-1,600,000 :	--: --
(b) Financial assistance ...	<u>5,940,000: --:</u>	<u>1,900,000: --:</u>	<u>-1,900,000 :</u>	<u>--: --</u>
Subtotal, PL-534 .....	<u>9,900,000: 28:</u>	<u>3,500,000: 16:</u>	<u>-3,500,000(1)</u>	<u>--: --</u>
2. Small Watersheds	:	:	:	:
Authorized by PL-566:	:	:	:	:
(a) Technical assistance ...	25,740,000: 209:	18,000,000: 148:	-18,000,000 :	--: --
(b) Financial assistance ...	<u>38,610,000: --:</u>	<u>18,500,000: --:</u>	<u>-18,500,000 :</u>	<u>--: --</u>
Subtotal, PL-566 .....	<u>64,350,000: 209:</u>	<u>36,500,000: 148:</u>	<u>-36,500,000(2)</u>	<u>--: --</u>
Total available or Est.....	<u>74,250,000: 237:</u>	<u>40,000,000: 164:</u>	<u>-40,000,000 :</u>	<u>--: --</u>
Rescission .....	<u>+750,000: --:</u>			
Total, Appropriation.....	<u>75,000,000: --:</u>			
Watershed & Flood Prevention – Supplemental Appropriations:				
1. Emergency Watershed Protection Operations:	:	:	:	:
(a) Technical assistance ...	60,146,400: 188:	--: 456:	-- :	--: --
(b) Financial assistance ...	<u>290,808,600: --:</u>	<u>--: --:</u>	<u>-- :</u>	<u>--: --</u>
Total, Appropriation.....	<u>350,955,000: 188:</u>	<u>--: 456:</u>	<u>-- :</u>	<u>--: --</u>

**Project Statement**  
**(On basis of available funds)**

Program	2006 Actual		2007 Estimated		Increase or Decrease	2008 Estimated	
	Amount	Staff: Years	Amount	Staff: Years		Amount	Staff: Years
<b>Watershed &amp; Flood Prevention – Regular Appropriation:</b>							
1. Watershed Operations	:	:	:	:	:	:	:
Authorized by PL-534:	:	:	:	:	:	:	:
(a) Technical assistance.	\$3,822,863:	28:	\$2,335,865:	16:	-\$2,335,865:	--:	--:
(b) Financial assistance .	3,079,796:	--:	5,143,542:	--:	-5,143,542:	--:	--:
Subtotal, PL-534 .....	6,902,659:	28:	7,479,407:	16:	-7,479,407:	--:	--:
2. Small Watersheds	:	:	:	:	:	:	:
Authorized by PL-566:	:	:	:	:	:	:	:
(a) Technical assistance.	26,549,130:	209:	19,300,348:	148:	-19,300,348:	--:	--:
(b) Financial assistance .	69,486,543:	--:	27,174,740:	--:	-27,174,740:	--:	--:
Subtotal, PL-566 .....	96,035,673:	209:	46,475,088:	148:	-46,475,088:	--:	--:
Total Direct Obligations...	102,938,332:	237:	53,954,495:	164:	-53,954,495:	--:	--:
Unobligated balance	:	:	:	:	:	:	:
brought forward.....	(-22,345,838)	--:	(-13,954,495)	--:	(+13,954,495)	--:	--:
Prior Year Recoveries .....	(-20,296,989)	--:	--:	--:	--:	--:	--:
Unobligated balance	:	:	:	:	:	:	:
carried forward.....	(+13,954,495)	--:	--:	--:	--:	--:	--:
Adjusted Appropriation....	(74,250,000)	--:	(40,000,000)	--:	(-40,000,000)	--:	--:
Reimbursable obligations:	:	:	:	:	:	:	:
1. Watershed Operations	:	:	:	:	:	:	:
Authorized by PL-534:	:	:	:	:	:	:	:
(a) Technical assistance.	292,387:	3:	320,000:	3:	-320,000:	--:	--:
(b) Financial assistance .	273,503:	--:	280,000:	--:	-280,000:	--:	--:
Subtotal, PL-534 .....	565,890:	3:	600,000:	3:	-600,000:	--:	--:
2. Small Watersheds	:	:	:	:	:	:	:
Authorized by PL-566:	:	:	:	:	:	:	:
(a) Technical assistance.	3,202,687:	25:	3,266,000:	25:	-3,266,000:	--:	--:
(b) Financial assistance .	10,862,798:	--:	11,134,000:	--:	-11,134,000:	--:	--:
Subtotal, PL-566 .....	14,065,485:	25:	14,400,000:	25:	-14,000,000:	--:	--:
Total Reimb. Obligations.	14,631,375:	28:	15,000,000:	28:	-15,000,000:	--:	--:
Obligational authority .....	117,569,707:	265:	68,954,495:	192:	-68,954,495:	--:	--:

Program	2006 Actual		2007 Estimated		Increase or Decrease	2008 Estimated	
	Amount	Years	Amount	Years		Amount	Years
Watershed & Flood Prevention – Supplemental Appropriation:							
1. Emergency Watershed Protection Operations:							
(a) Technical assistance.	33,142,178:	188:	81,191,239:	456:	-81,191,239:	--:	--:
(b) Financial assistance .	201,349,184:	--:	230,234,123:	--:	-230,234,123:	--:	--:
Subtotal, EWP .....	234,491,362:	188:	311,425,362:	456:	-311,425,362:	--:	--:
Unobligated balance brought forward.....	(-154,180,064)	--:	(-311,425,362)	--:	(+311,425,362)	--:	--:
Prior Year Recoveries .....	(-40,781,660)	--:	--:	--:	--:	--:	--:
Unobligated balance carried forward.....	(+311,425,362)	--:	--:	--:	--:	--:	--:
Adjusted Appropriation....	(350,955,000)	--:	(--)	--:	(--)	--:	--:
Reimbursable obligations:							
1. Emergency Watershed Protection Operations:							
(a) Technical assistance.	104,863:	1:	500,000:	--:	-500,000:	--:	--:
(b) Financial assistance .	10,099,164:	--:	10,000,000:	--:	-10,000,000:	--:	--:
Subtotal, EWP .....	10,204,027:	1:	10,500,000:	--:	-10,500,000:	--:	--:
Obligational authority .....	244,695,389:	189:	321,925,362:	456:	-321,925,362:	--:	--:

**Justification of Increases and Decreases**

- (1) A decrease of \$3,500,000 for Watershed Operations Authorized by PL-534 (\$3,500,000 available in 2007) consisting of:

The fiscal year 2008 budget proposes to terminate funding for this program which will enable the Administration to divert limited resources to other higher priority programs. The Agency anticipates that those PL-534 projects not yet completed will continue to receive strong local support from project sponsors.

- (2) A decrease of \$36,500,000 for Small Watersheds Authorized by PL-566 (\$36,500,000 available in 2007) consisting of:

The fiscal year 2008 budget proposes to terminate funding for this program which will enable the Administration to divert limited resources to other higher priority programs. The Agency anticipates that those PL-566 projects not yet completed will continue to receive strong local support from project sponsors.



## Status of PL-534 watershed projects:

<u>Status of Operational Projects</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Active sub-watersheds.....	192	191	--
Projects continuing post-installation assistance .....	201	202	--
Total operational sub-watersheds .....	393	393	--
Unserviced applications .....	--	--	--
Planning in progress .....	--	--	--
Terminated in planning .....	7	7	--
Total sub-watersheds.....	400	400	--

## Status of PL-566 watershed projects:

<u>Status of Operational Projects</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Land treatment projects.....	104	100	--
Structural projects .....	196	197	--
Land treatment and structural.....	65	65	--
Subtotal active projects .....	365	362	--
Projects in post-installation assistance .....	1,006	1,006	--
Inactive Projects .....	187	187	--
Project Life Completed .....	41	49	--
De-authorized projects .....	157	157	--
Total operational projects.....	1,756	1,761	--
New projects approved during year.....	--	5	--

**NATURAL RESOURCES CONSERVATION SERVICE**  
**Watershed and Flood Prevention Operations**

**Geographic Breakdown of Obligations and Staff Years**  
**2006 Actual and Estimated 2007 and 2008**

	<u>2006</u>		<u>2007</u>		<u>2008</u>	
	<u>Amount</u>	<u>Staff Years</u>	<u>Amount</u>	<u>Staff Years</u>	<u>Amount</u>	<u>Staff Years</u>
Alabama .....	\$36,087,479	26	\$1,470,700	6	--	--
Alaska.....	2,027,099	3	6,135,100	3	--	--
Arizona.....	3,075,646	5	2,856,600	5	--	--
Arkansas.....	3,037,013	11	1,508,900	8	--	--
California .....	52,383,535	34	24,673,600	75	--	--
Colorado.....	346,524	4	685,300	3	--	--
Connecticut .....	46,200	1	64,200	--	--	--
Delaware .....	-56	--	--	--	--	--
Florida .....	64,661,639	16	23,345,400	74	--	--
Georgia.....	620,056	1	2,275,500	1	--	--
Hawaii.....	7,003,260	6	14,531,200	13	--	--
Idaho.....	110,751	1	63,500	1	--	--
Illinois .....	3,526,138	1	1,384,100	1	--	--
Indiana.....	318,815	1	59,300	--	--	--
Iowa.....	8,762,325	24	6,695,800	15	--	--
Kansas.....	903,700	6	535,000	4	--	--

	2006		2007		2008	
	Amount	Staff Years	Amount	Staff Years	Amount	Staff Years
Kentucky .....	129,700	1	88,200	1	--	--
Louisiana .....	33,686,255	44	69,931,200	98	--	--
Maine .....	66,294	1	549,100	1	--	--
Maryland .....	135,607	1	121,600	1	--	--
Massachusetts.....	723,716	2	1,592,500	3	--	--
Michigan .....	158,818	2	88,700	1	--	--
Minnesota .....	209,299	2	151,700	1	--	--
Mississippi .....	31,926,952	29	95,765,205	112	--	--
Missouri .....	11,324,240	60	6,726,200	41	--	--
Montana .....	500,841	--	268,800	--	--	--
Nebraska.....	1,190,067	--	487,000	--	--	--
Nevada .....	84,443	1	1,155,100	1	--	--
New Hampshire.....	700,333	1	9,660,700	7	--	--
New Jersey .....	--	--	--	--	--	--
New Mexico.....	527,811	2	1,071,500	2	--	--
New York.....	-372,078	--	33,611,900	32	--	--
North Carolina.....	933,053	7	1,339,600	3	--	--
North Dakota.....	1,328,051	8	805,100	6	--	--
Ohio.....	1,773,913	1	860,900	1	--	--
Oklahoma .....	2,845,256	12	5,314,400	9	--	--
Oregon.....	355,626	--	341,500	--	--	--
Pacific Basin.....	594,456	5	255,800	3	--	--
Pennsylvania .....	6,359,229	8	9,419,600	13	--	--
Puerto Rico.....	127,899	--	91,000	1	--	--
Rhode Island.....	--	--	--	--	--	--
South Carolina.....	721,715	4	1,483,000	3	--	--
South Dakota.....	135,578	1	38,900	1	--	--
Tennessee .....	2,513,379	6	2,762,500	3	--	--
Texas .....	14,780,095	21	8,116,700	18	--	--
Utah.....	3,462,397	20	8,386,100	15	--	--
Vermont .....	322,034	3	474,300	2	--	--
Virginia .....	1,565,141	7	838,700	4	--	--
Washington .....	-13,122	--	3,600	--	--	--
West Virginia .....	30,758,643	17	12,859,000	12	--	--
Wisconsin.....	136,224	1	58,100	1	--	--
Wyoming.....	146,190	1	106,000	1	--	--
National Hdqtr.....	3,961,652	12	3,758,200	11	--	--
National Centers.....	429,547	3	306,552	2	--	--
Nat. Tech. Sup. Cent. ....	290,316	2	206,700	1	--	--
Total Obligations/Est.....	337,429,694	425	365,379,857	620	--	--

NATURAL RESOURCES CONSERVATION SERVICE  
Watershed and Flood Prevention Operations

Classification By Objects  
2006 Actual and Estimated 2007 and 2008

Personnel Compensation:	<u>2006</u>	<u>2007</u>	<u>2008</u>
Washington, D.C. ....	\$1,373,983	\$2,128,000	--
Field.....	<u>28,103,026</u>	<u>43,517,000</u>	<u>--</u>
11 Total personnel compensation .....	29,477,009	45,645,000	--
12 Personnel benefits .....	7,350,442	10,895,000	--
13 Benefits for former personnel .....	<u>4,349</u>	<u>3,000</u>	<u>--</u>
Total pers. comp. & benefits.....	<u>36,831,800</u>	<u>56,543,000</u>	<u>--</u>
Other Objects:			
21 Travel.....	2,578,804	4,335,000	--
22 Transportation of things .....	207,946	232,000	--
23.1 Rent payments to GSA.....	--	--	--
23.2 Rental payments to others .....	1,318,103	2,072,000	--
23.3 Communications, utilities, and misc. charges.....	1,104,256	2,217,000	--
24 Printing and reproduction.....	60,475	63,000	--
25.1 Advisory and assistance services ....	--	--	--
25.2 Other services .....	19,304,607	34,221,857	--
25.2 Construction contracts .....	133,801,124	124,442,000	--
26 Supplies and materials .....	877,031	1,495,000	--
31 Equipment.....	1,194,080	1,581,000	--
32 Land and structures .....	417,582	--	--
41 Grants.....	139,696,818	138,111,000	--
42 Insurance and loans.....	7,776	6,000	--
43 Interest and dividends .....	29,292	61,000	--
44 Refunds .....	<u>--</u>	<u>--</u>	<u>--</u>
Total other objects.....	<u>300,597,894</u>	<u>308,836,857</u>	<u>--</u>
Total, direct obligations.....	<u>337,429,694</u>	<u>365,379,857</u>	<u>--</u>

**NATURAL RESOURCES CONSERVATION SERVICE  
WATERSHED AND FLOOD PREVENTION OPERATIONS**

**STATUS OF PROGRAM**

**Current Activities**

**Flood Prevention Authorized by Public Law 534.** The Flood Control Act of 1944 authorizes the Secretary of Agriculture to install watershed improvement measures to reduce flood, sedimentation, and erosion damages; further the conservation, development, utilization, and disposal of water; and further the conservation and proper utilization of land. Flood prevention work is authorized in the 11 watersheds designated in the Flood Control Act of December 22, 1944.

Detailed sub-watershed work plans are prepared for P.L.-534 flood prevention projects in cooperation with soil conservation districts and other local sponsoring organizations. These plans outline soil and water management problems in sub-watersheds, proposals to alleviate these problems, the estimated benefits and costs, cost sharing, and operation and maintenance arrangements.

**Watershed Operations Authorized by Public Law 566.** The Watershed Protection and Flood Prevention Act of 1954 provides for cooperation between the Federal government and the States and their political subdivisions in a program to prevent erosion, floodwater, and sediment damages; to further the conservation, development, utilization, and disposal of water; and to further the conservation and proper utilization of land in authorized watersheds. NRCS has the responsibility for administration of the Watershed Protection and Flood Prevention Act and the work authorized under the Flood Control Act. This includes responsibility for administering the installation of land treatment measures and works of improvement in authorized watersheds on non-Federal land and on Federal lands by arrangement with the administering agency.

**Program Similarities.** The P.L.-534 and P.L.-566 program authorities have similar objectives. The planning criteria, economic justifications, local sponsorship requirements, cost-sharing criteria, structural limitations, and other policies and procedures of the two programs generally parallel each other.

**Program Technical and Financial Assistance.** Watershed improvement measures are installed through:  
**1. Land treatment measures.** NRCS assures that a program of proper land use and treatment will be carried out as a basic requirement for assistance in the development of flood prevention sub-watersheds or watershed projects. NRCS provides landowners and operators with technical assistance to accelerate the planning and application of land treatment measures that help achieve project objectives. This accelerated assistance is in addition to that received under other conservation programs.

Installation costs may be shared with Federal funds when land treatment measures are installed primarily to achieve environmental and public benefits, such as surface and ground water quality improvement, water conservation, and flood mitigation. The cost-share rate of this financial assistance may not exceed the rate of assistance for similar practices under other conservation programs of USDA. This work is accomplished through project agreements with local sponsoring organizations or through long-term contracts between the landowner and NRCS. In the first case, the local sponsors arrange for and accomplish the work by contract or force account. NRCS makes payments to the local sponsoring organizations as the land treatment measures are installed. In the long-term contract situation, landowners contract directly with NRCS.

**2. Easements and construction activities.** In addition to land treatment, these projects may involve a wide variety of other works of improvement: floodwater retarding dams, flood-proofing of buildings located in a floodplain, and floodplain easements; water supply and water conservation; stream channel restoration; grade stabilization and sediment control; fish and wildlife habitat; water-based recreation, and other similar measures. Detailed construction plans, designs, and specifications are prepared for these measures by NRCS or by the private sector, and by the local sponsoring organization.

NRCS provides all construction funds for flood mitigation and an equitable share of the cost of installing works of improvement for agricultural water management, fish and wildlife, water quality, or recreational development. The latter includes the cost of basic facilities for public health and safety, access to recreational areas, and use of the recreational development. Local organizations must pay all costs of works of improvement for other purposes. In addition, local organizations must acquire water right permits and furnish land, easements, and rights-of-way for all structural measures. However, up to one-half the cost of land, easements, and rights-of-way allocated to public fish and wildlife and recreational developments may be paid with P.L.-534 or P.L.-566 funds. Financial assistance may also be provided for the purchase of conservation easements at a federal cost share rate of 50 percent to 99 percent.

**3. Technical assistance.** Technical assistance is provided for flood mitigation, agricultural water management, water quality, and for water resource development or improvement for public fish and wildlife and recreational purposes, either directly by NRCS, or by the local organizations with advances or reimbursement from the Federal government. NRCS may also supply up to one-half the cost of engineering assistance required for the installation of basic facilities for public fish and wildlife and recreational development. Conservation measures can be installed using a variety of contracting methods. Contracts may be administered by NRCS using formal contracting procedures or by the sponsoring local organizations. Local sponsoring organizations must operate and maintain the completed works of improvement on non-Federal lands for the length of time that the project is economically evaluated. This period of time is usually between 25 and 100 years.

**Program Benefits.** Flood prevention and other annual benefits to the environment and communities from P.L.-566 and P.L.-534 that occurred in FY 2006 are shown below.

Monetary Benefits

- **Agricultural Benefits (not related to flood control):** \$342 million. Benefits associated with erosion control, animal waste management, water conservation, water quality improvement, irrigation efficiency, change in land use, etc.
- **Non-Agricultural Benefits (not related to flood control):** \$546 million. Benefits associated with recreation, fish and wildlife, rural water supply, water quality, municipal and industrial water supply, incidental recreation uses, etc.
- **Agricultural Flood Protection Benefits:** \$279 million. The sum of the agricultural flood damage prevented for the preceding year. This value includes all crop and pasture damage reduction benefits as well as all other agricultural damage reduction benefits.
- **Non-Agricultural Flood Protection Benefits:** \$381 million. Non-agricultural flood damage prevented for the preceding year, to roads, bridges, homes, and other structures that exist in the floodplain.

Benefits to Natural Resources

Acres of nutrient management:	659,800
Tons of animal waste properly disposed:	4,321,300
Tons of soil saved from erosion:	89,525,300
Miles of streams and corridors enhanced or protected:	44,300
Acres of lakes and reservoirs enhanced or protected:	191,565,000
Acre-feet of water conserved:	1,834,800
Acres of wetlands created, enhanced or restored:	278,800
Acres of upland wildlife habitat created, enhanced, or restored:	9,127,100

Social and Community Benefits

Number of people:	48,132,700
Number of farms and ranches:	177,100
Number of bridges:	58,300
Number of public facilities:	3,600
Number of businesses:	46,600
Number of homes:	607,300
Number of domestic water supplies:	27,800

**Fiscal Year 2006 Obligations.**

	P.L.-534 Flood Prevention	P.L.-566 Watershed Operations	Total
Direct Funds	\$6,902,659	\$96,035,673	\$102,938,332
Reimbursable Funds	565,890	14,065,485	14,631,375
Total Obligations	\$7,468,549	\$110,101,158	\$117,569,707

**Status of Flood Prevention Projects Authorized by P.L.-534.** Because the authorized flood prevention projects include relatively large areas, work plans were developed on a sub-watershed basis. As of September 30, 2006, the total planning job was about 94 percent completed, with 397 work plans completed that include 30 million acres. The following table summarizes the status of sub-watershed planning by authorized project:

Flood Prevention Projects	Total authorized Area	Sub-watersheds and other areas with planning potential		Work plans developed through 9/30/06	
	Acres	No.	Acres	No.	Acres
Buffalo Creek, NY <sup>a/</sup>	279,680	3	279,680	3	279,680
Colorado (Middle), TX	4,613,120	17	3,703,520	17	3,703,520
Coosa, GA, TN <sup>a/</sup>	1,339,400	16	1,174,650	16	1,174,650
Little Sioux, IA	1,740,800	124	1,050,093	121	1,033,578
Little Tallahatchie, MS	963,977	18	625,274 <sup>b/</sup>	18	625,274
Los Angeles, CA <sup>a/</sup>	536,960	10	127,627 <sup>c/</sup>	10	127,627
Potomac, MD, PA, VA, WV	4,205,400	31	4,205,400	30	3,094,543
Santa Ynez, CA	576,000	5	50,743 <sup>d/</sup>	5	50,743
Trinity, TX	10,769,266	36	10,769,266	36	10,769,266
Washita, OK, TX	5,184,362	57	5,184,362	57	5,184,362
Yazoo, MS	7,661,278	104	3,955,124	84	3,955,124
TOTAL	37,870,243	421	31,125,739	397	29,998,367

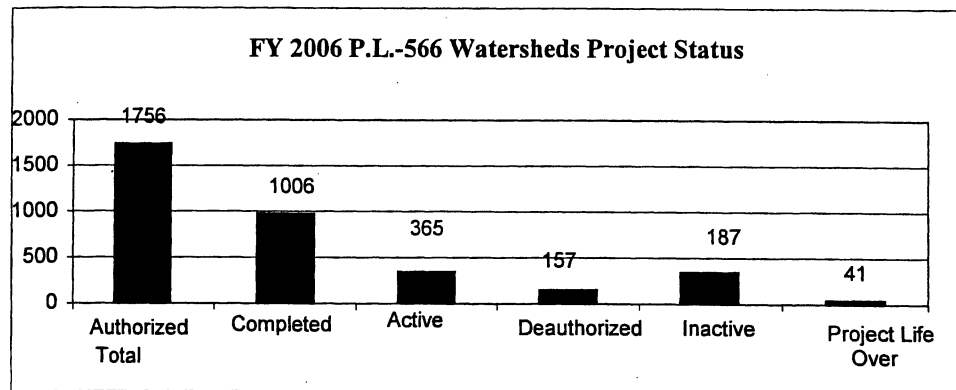
- a/ The Buffalo Creek Watershed was completed and closed in 1964 and reopened in 1992 for repairs. The Coosa Watershed was completed and closed in 1981. The Los Angeles Watershed is completed.
- b/ Excludes 96,501 acres of Sardis Reservoir area, and 304,000 acres in minor watersheds needing only land treatment measures.
- c/ Includes National forest and other lands, for which the Forest Service has been assigned program responsibility.
- d/ Excludes 195,818 acres of reservoir area.

The estimated Federal cost for each watershed and total Federal obligations through FY 2006:

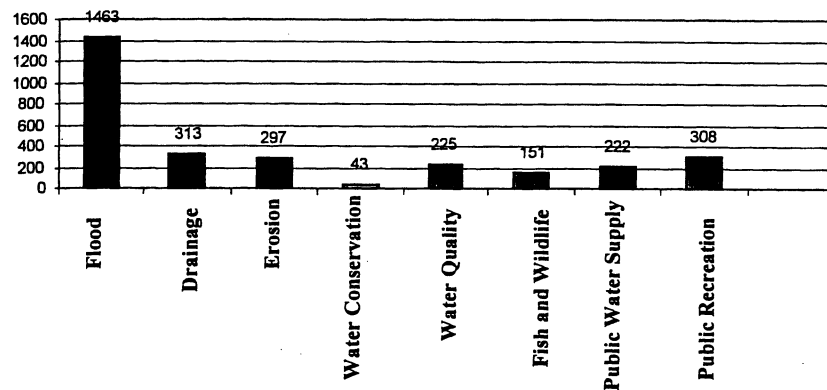
Flood Prevention Project	Estimated Total Federal Cost	Obligations (cumulative \$)
Buffalo Creek Watershed, NY (Complete)	\$7,827,746	\$6,287,347
Middle Colorado River Watershed, TX	71,111,062	63,062,555
Coosa River Watershed, GA and TN (Complete)	18,999,247	18,264,485
Little Sioux River Watershed, IA	98,581,921	91,127,287
Little Tallahatchie River Watershed, MS	69,501,448	74,842,838
Los Angeles River Watershed, CA	60,597,017	60,297,017
Potomac River Watershed, MD, PA, VA, and WV	150,217,206	134,341,999
Santa Ynez River Watershed, CA	41,386,536	40,786,536
Trinity River Watershed, TX	331,241,632	209,787,848
Washita River Watershed, OK and TX	202,491,055	190,345,619
Yazoo River Watershed, MS	252,957,352	251,443,563
TOTAL	\$1,304,912,222	\$1,140,587,094

**Status of Watershed Projects Authorized by P.L.-566.** Watershed Project Plans are prepared by local sponsoring organizations with assistance from NRCS. The plans are submitted to NRCS with requests for Federal funding authorization. Watershed projects involving an estimated Federal contribution in excess of \$5 million for construction, or construction of any single structure having a capacity in excess of 2,500 acre-feet of water storage, require authorization by Congressional committees. Watershed projects are limited to 250,000 acres and cannot include any single structure which provides more than 12,500 acre-feet of floodwater detention capacity, or more than 25,000 acre-feet of total capacity. The Chief of NRCS authorizes the use of Watershed Operations funds for all other projects.

After authorization, technical and financial assistance may be provided to local sponsoring organizations for installation of works of improvement specified in the plans.



**FY 2006 P.L.-566 Watershed Project Purposes**



**New P.L.-566 Watershed Projects Authorized For Funding.** No new P.L.-566 Watershed Projects were authorized for funding in FY 2006.

**Unfunded Federal Commitments.** Watershed project sponsors requested \$177 million for Watershed Project measures for FY 2007. These measures are ready for contracting and installation subject to appropriations; sponsors have acquired the necessary easements and rights-of-way, and the requested funds include costs for surveys and designs.

**Total Backlog of Projects.** The backlog is the unfunded Federal commitment or funding needed to install the remaining measures in existing 365 active watershed projects. The current backlog is \$1.43 billion. When installed, these floodwater dams, reservoirs, and other conservation practices will reduce flood damages in 356 communities, provide agricultural water supply in 88 communities, improve water quality in 135 stream segments, install water conservation measures in 28 projects, and enhance, restore or create

wildlife habitat in 50 projects. In addition to the sponsors' request for FY 2007 funds, the following summary indicates the Federal funds necessary to complete all remaining measures:

**Unfunded Federal Commitments to Authorized Watershed Projects**

State	P.L.-566 (\$)	P.L.-534 (\$)	Total (\$)
Alaska	\$9,351,600		\$9,351,600
Alabama	11,274,000		11,274,000
Arkansas	53,403,000		53,403,000
Arizona	18,460,319		18,460,319
California	39,335,000		39,335,000
Colorado	6,240,000		6,240,000
Connecticut	4,526,200		4,526,200
Delaware	0		0
Florida	1,238,720		1,238,720
Georgia	5,209,772		5,209,772
Hawaii	45,807,000		45,807,000
Iowa	41,846,500	\$2,850,000	44,696,500
Idaho	12,586,255		12,586,255
Illinois	82,700,000		82,700,000
Indiana	8,008,240		8,008,240
Kansas	64,108,050		64,108,050
Kentucky	13,174,000		13,174,000
Louisiana	5,090,000		5,090,000
Massachusetts	0		0
Maryland	450,000		450,000
Maine	500,000		500,000
Michigan	1,155,375		1,155,375
Minnesota	2,447,400		2,447,400
Missouri	64,696,000		64,696,000
Mississippi	16,685,500	162,350,850	179,036,350
Montana	6,025,500		6,025,500
North Carolina	11,897,840		11,897,840
North Dakota	14,093,000		14,093,000
Nebraska	5,509,100		5,509,100
New Hampshire	0		0
New Jersey	0		0
New Mexico	57,597,000		57,597,000
Nevada	0		0
New York	2,659,557		2,659,557
Ohio	9,055,000		9,055,000
Oklahoma	217,281,000	16,677,000	233,958,000
Oregon	4,699,796		4,699,796
Pennsylvania	17,800,000		17,800,000
Pacific Basin	6,013,000		6,013,000
Puerto Rico	0		0
South Carolina	1,013,000		1,013,000
South Dakota	50,000		50,000



State	P.L.-566 (\$)	P.L.-534 (\$)	Total (\$)
Tennessee	28,931,477		28,931,477
Texas	134,698,000	160,520,000	295,218,000
Utah	390,860		390,860
Virginia	9,565,146	190,000	9,755,146
Vermont	2,686,167		2,686,167
Washington	1,000,000		1,000,000
Wisconsin	0		0
West Virginia	12,779,000	24,057,022	36,836,022
Wyoming	7,520,955		7,520,955
Total	\$1,059,558,329	\$366,644,872	\$1,426,203,201

Loan Programs Under P.L.-534 and P.L.-566. Both programs provide for loans and loan services to finance the local share of the costs of installing, repairing, or enhancing works of improvement and water storage facilities, purchasing sites or rights-of-way, and for related costs in approved watershed and flood prevention projects. Repayment with interest is required within 50 years after the principal benefits of improvements first become available. The interest rate is not to exceed the current market yield for outstanding municipal obligations with remaining periods to maturity on obligations of similar maturity. For a single plan for works of improvement, the amount of the loan may not exceed \$10 million. Loans are financed through the Rural Utilities Service (RUS).

There are currently 70 borrowers who are holding loans with an unpaid principal amount of \$18.3 million. Over the life of the program, 495 loans have been made at a value of almost \$176 million. Congress did not appropriate funds in FY 2006 to provide new loans under this program.

Item	2005 Actual		2006 Actual		2007 Estimated	
	No.	\$ (000)	No.	\$ (000)	No.	\$ (000)
Loans obligated during year	--	--	--	--	--	--
Borrowers outstanding	79	\$21,805	70	\$18,341	60	\$15,600
Loans cumulative	495	\$175,903	495	\$175,903	495	\$175,903

#### Selected Examples of Recent Progress

**Flood Damage Protection for Holly Hill, South Carolina.** One million dollars of Watershed Protection and Flood Prevention Program funds will mitigate flood damages in Holly Hill, SC, where most of the beneficiaries are low income minority residents. The flood control project, including a floodway channel designed to carry floodwaters safely through the community, will protect life and property. The project will sustain and improve economic opportunities in a community where the per capita income is 68 percent of the State per capita income, and the average residential property value is 75 percent of the national average. The project will reduce flood damages by 80 percent in an area which includes 220 homes, three public schools, and six businesses.

**Omak Creek Watershed Project, Washington, Restores Resources for Chinook Salmon's Return to Colville Indian Reservation.** It had been approximately 80 years since the last time the spring Chinook salmon had made their way up the Columbia and Okanogan Rivers, into Omak Creek and onto Colville Indian Reservation. In June 2006, 11 spring Chinook salmon once again swam into tribal waters. Their return infused new life into an important cultural event--the First Salmon Ceremony for the Confederated Tribes of the Colville Reservation. It also closed a gap between generations--a gap that had been widening since the spring Chinook were blocked from their annual migration up Omak Creek in north central Washington.

Beginning in 1996, the Colville Confederated Tribes (CCT) worked with NRCS to develop and implement a plan to restore 40 miles of historical anadromous fish habitat on the reservation, removing physical

barriers, improving riparian habitat, reducing sedimentation into the creek, improving water quality, and implementing range management objectives. This plan was the first one in the nation in which a tribe was the sole sponsor of a NRCS planned watershed project.

“NRCS was a critical link,” says the CCT Fish and Wildlife Director. “We simply didn’t have the technical resources to get the plan started and their assistance in range conservation and engineering was outstanding.” According to the Director, the plan not only provided an interdisciplinary approach for resource planning and implementation, but it has helped the Tribe leverage funding for resource management activities from other Federal, State, and tribal sources.

This year’s First Salmon Ceremony, like those from years ago, began with sunrise services near the stream from which a Tribal Councilman trapped and harvested the first spring Chinook that came home to reservation in more than four generations. It ended with a closing prayer in the afternoon.

**New Water Supply in Randolph County, West Virginia.** Residents in West Virginia’s southern Randolph County will have a reliable source of drinking water because of the Elkwater Fork Dam in the Upper Tygarts Valley River Watershed. This NRCS watershed project will supply safe drinking water to 21,500 residents. The contract for the dam called for roller-compacted concrete and is one of the largest construction contracts administered by NRCS. While most West Virginia dams provide flood protection, the Elkwater Fork Dam’s primary purpose is to impound water supply. Besides providing a water supply for public water service customers, the project eliminated water withdrawals that exceeded West Virginia withdrawal limitations, and improved human health and safety by providing sufficient water to meet sanitary and fire protection needs.

**Diversion Saves Warren, Minnesota.** The Snake River flood-control project saved the City of Warren from having to deal with another flood similar to those encountered in 1996 and 1997. The Snake River crested at 850 feet above sea level or five feet over flood stage. The Warren Mayor said the river would have been at least three feet higher had the NRCS Watershed Protection and Flood Prevention Program flood control project not been as far along as it was. “The flood control project certainly prevented a lot of flooding in the city,” said the Administrator of the Middle-Snake-Tamarac Rivers Watershed District (MSTRWD). He added it reduced peak water flow by approximately 30 percent both upstream and downstream of Warren.

In 1996 and 1997, three major floods caused a total of \$12.7 million of damage in Warren. The \$18 million Snake River flood control project was initiated as a result of that flooding with a groundbreaking in 2001. The City of Warren, the MSTRWD, and NRCS worked together on the flood control project. Warren covered \$321,200 of that cost with the remainder from Federal funds, state grants, special assessments, and other funds. The project includes a four-and-a-half-mile diversion channel around the city, and an off-channel floodwater storage facility designed to hold 7,000 acre feet of water in a 100-year flood event.

**PART Assessment.** During FY 2004, a single Program Assessment Rating Tool (PART) assessment was conducted on three NRCS watershed programs (Watershed Surveys and Planning, Watershed Protection and Flood Prevention and Watershed Rehabilitation) and resulted in a rating of “Adequate.” In response to the findings, the Agency has continued to improve the long-term performance measures by refining annual measures, developing the baseline data and establishing ambitious targets, as well as developing program efficiency measures.

**NATURAL RESOURCES CONSERVATION SERVICE  
EMERGENCY WATERSHED PROTECTION PROGRAM**

**STATUS OF PROGRAM**

**Current Activities**

**Background.** Congress established the Emergency Watershed Protection Program (EWP) to respond to emergencies created by natural disasters. EWP, an emergency recovery program, relieves imminent hazards to life and property caused by floods, fires, windstorms, and other natural occurrences. All projects undertaken, with the exception of the purchase of floodplain easements, must be sponsored by a legal subdivision of the State. This includes any city, county, general improvement district, conservation district, or Native American Tribe or Tribal organization as defined in section 4 of the Indian Self-Determination and Education Assistance Act. NRCS is responsible for administering the program.

EWP funds have restrictions. EWP cannot solve problems that existed before the disaster or improve the level of protection above that which existed before a disaster. It cannot fund operation and maintenance work or repair private or public transportation facilities or utilities. The work cannot adversely affect downstream water rights and funds cannot be used to install measures not essential to the reduction of hazards. Funds cannot be used to perform work on measures installed by another federal agency.

**Program Administration.** All EWP work must reduce threats to life and property and must be economically, environmentally, and socially defensible and technically sound. NRCS may bear up to 75 percent (90 percent within limited resource areas as identified by the US Census data) of the construction cost of emergency measures. The remaining 25 percent (10 percent within limited resource areas) must come from local sources as cash or in-kind services.

Public and private landowners are eligible for assistance but must be represented by a project sponsor. Sponsors are responsible for providing land rights to do repair work and securing the necessary permits. Sponsors are also responsible for the local cost share and the installation of work. Work can be done either through Federal or local contracts. EWP work is not limited to any one set of prescribed measures. NRCS makes case-by-case investigations of the work. EWP work includes removing debris from stream channels, road culverts, and bridges; reshaping and protecting eroded banks; correcting damaged drainage facilities; repairing levees and structures; reseeding damaged areas; and purchasing floodplain easements.

EWP is dependent upon supplemental Congressional appropriations. In FY 2006, Congress appropriated two supplemental authorizations totaling \$351 million for use in the 2005 hurricane recovery efforts.

**Floodplain Easements.** Section 382 of the Federal Agriculture Improvement and Reform Act of 1996, Public Law 104-127, amended the EWP to provide for the purchase of floodplain easements as an emergency measure. Since 1996, NRCS has purchased floodplain easements on agricultural lands that qualify for EWP assistance. Floodplain easements restore, protect, maintain, and enhance the functions of wetlands and riparian areas; conserve natural values including fish and wildlife habitat, water quality, flood water retention, ground water recharge, and open space; and safeguard lives and property from floods, drought, and the products of erosion.

NRCS may purchase EWP easements on any floodplain lands that have been impaired within the last 12 months or that have a history of repeated flooding (i.e., flooded at least three times during the past 10 years). Under the floodplain easement option, a landowner offers to sell a permanent conservation easement that provides NRCS with the full authority to restore and enhance the floodplain's functions and values. In exchange, a landowner receives the least of one of the three following values as an easement payment: 1) a geographic rate established by the NRCS state conservationist; 2) a value based on a market appraisal analysis for agricultural uses or assessment for agricultural land; or 3) the landowner offer.

The easement provides the NRCS with the full authority to restore and enhance the floodplain's functions and values. NRCS may pay up to 100 percent of the restoration costs of the easement. Restoration efforts include both structural and non-structural practices. To the extent practicable, NRCS actively restores the natural features and characteristics of the floodplain through re-creating the topographic diversity, increasing the duration of inundation and saturation, and providing for the re-establishment of native vegetation. The landowner is provided the opportunity to participate in the restoration efforts. Landowners retain several rights to the property, including quiet enjoyment, the right to control public access, and the right to undeveloped recreational use such as hunting and fishing. At any time, a landowner may obtain authorization from NRCS to engage in other activities provided that NRCS determines it will further the protection and enhancement of the easement's floodplain functions and values.

The floodplain easement component of the EWP program began as a pilot effort in 17 states in 1997 and continued through 2001. In FY 2001, NRCS allocated \$35 million to States to accept 208 offers on 29,067 acres. No funds have been made available for floodplain easement purchases since FY 2001. There exist over 650 pending landowner applications on 75,000 acres. These unfunded offers have an estimated cost of \$100.8 million. Renewed interest in the program has been expressed in many of the states, especially those that have experienced recent natural disasters. The EWP website is: <http://www.nrcs.usda.gov/programs/ewp/index.html>

**EWP Status and Accomplishments for FY 2006**

<b>General:</b>		<b>Outputs:</b>	
Disaster Events Funded (Number)	87	Debris Removed (Feet)	1,241,135
Disaster Events Unfunded (Number)	25	Streambank Stabilized (Feet)	58,469
Completed Projects (Number)	47	Land Protected (Acres)	84,981
		Easements Purchased (acres)	0
<b>Costs:</b>		<b>People Benefited:</b>	
Technical Assistance	\$8,109,137	Elderly (Number)	27,863
Financial Assistance	\$44,904,270	Minority (Number)	274,043
Local Contribution	\$9,967,235	Other (Number)	518,018
Floodplain Easements	\$0	Total (Number)	819,924
Total Costs	\$62,980,642		
<b>Benefits:</b>		<b>8(a) Contracts</b>	
<b>Outcomes:</b>		Number	99
Public Buildings Protected (Number)	259	Value of 8(a) Contracts	\$10,512,629
Private Buildings Protected (Number)	6,342		
Road Protected (Miles)	487	<b>Total Benefits:</b>	
Utilities Protected (Number)	369	Economic	\$267,379,988
Value of Property Protected	\$709,495,022		
		<b>Cost/Benefit Ratio</b>	1.0:4.2

**Allocation of FY 2006 Supplemental Appropriations for Hurricanes of the 2005 Season**

State	Hurricane	Allocation Total
Alabama	Hurricane Dennis	\$1,800,000
	Hurricane Katrina	\$40,600,000
Florida	Hurricane Dennis	\$540,000
	Hurricane Katrina	\$7,260,000
	Hurricane Wilma	\$65,400,000
Louisiana	Hurricane Katrina	\$41,940,000
	Hurricane Rita	\$43,800,000
Mississippi	Hurricane Katrina	\$104,886,500
	Hurricane Rita	\$2,400,000

State	Hurricane	Allocation Total
Tennessee	Hurricane Katrina	\$377,500
Texas	Hurricane Rita	\$12,696,000
Reimbursement of the EWP Account <sup>1</sup>		\$22,334,440
Balance remaining for future 2005 hurricane needs		\$6,920,560
Total:		\$350,955,000

<sup>1</sup> Section 103 of H.R. 2863 provided USDA the opportunity to reimburse accounts prior to receiving supplemental appropriation.

#### **Selected Examples of Recent Progress**

**California: Southern California Watershed Recovery Program.** Fires in Southern California in the fall of 2003 devastated the counties of Riverside, San Diego, and San Bernardino. The fires were followed by an on-going drought that has had major adverse impacts to these counties, especially the forestry resources. Tree mortality in many areas had reached as high 80 to 90 percent. It has been estimated that the impacts of the drought and tree mortality problem to California may be in the range of one-half billion dollars. Congress appropriated \$150 million in March 2004 to respond to the 2003 wildfires and also reduce the threat of wildfire due to ongoing drought in these three counties. NRCS and its partners plan to finish all dead tree removal work in the priority areas by the end of calendar year 2007. NRCS accelerated work in FY 2006 to remove dead trees and other fuel and reduce the fire threat in priority areas around mountain communities. The effort involves coordinating and working with dozens of local, State, and Federal partner agencies.

**Alabama: Hurricane Recovery Efforts.** Alabama has been very aggressively responding to municipalities and local units of government to assist with the repair of damages caused by Hurricanes Dennis and Katrina. For traditional EWP efforts, Alabama received and approved requests from 34 sponsors for about \$18.9 million to address damages at 205 sites. For removal of downed timber and its potential fire hazard resulting from hurricane damage, Alabama recently obligated \$14.6 million dollars to implement emergency measures to relieve imminent hazards to life and property. Alabama received requests from 1,050 landowners to address damages on over 295,000 acres. Priority was given in areas with a high risk for wildfire and associated smoke concerns near transportation corridors and fire concerns near urban interface areas. Five counties designated as limited resource areas were assisted with the Program. In addition, the Poarch Band of Creek Indian Reservation has EWP contracts totaling \$779,000 to repair 16 hurricane-damaged sites; this is the first time the Tribe has participated in the EWP.

#### **Florida: Hurricane Recovery Efforts**

- **Hurricane Charley - City of Punta Gorda:** On August 13, 2004, Hurricane Charley hit Florida's southwest coastline. The City of Punta Gorda sustained a direct hit from this Category 4 hurricane placing debris in over 60 miles of waterways. The debris consisted of sunken boats, trees, mobile home parts and screen enclosures. Shingles and asphalt also made their way into the canals. City officials were concerned with the health hazards that this debris posed. Through NRCS financial and technical assistance the cleanup began within days and the majority of the work was completed in less than two and one-half months.
- **Hurricane Katrina and Wilma – Miami-Dade County:** On August 25, 2005, Hurricane Katrina hit Miami-Dade County. It was followed by Hurricane Wilma on October 24, 2005. The hurricanes strewed debris in 165 miles of canals, as well as causing erosion damage on 2,000 linear feet of canal banks. To date, EWP has helped remove hurricane related debris from 116 miles of canal.
- **2004 Hurricanes Charley, Frances, Ivan, and Jeanne:** These 2004 hurricanes scattered debris in waterways statewide, as well as causing streambank erosion damage. Through 85 cooperative agreements with local governments, NRCS was able to remove debris from over 2,100 miles of waterways throughout Florida and restored over 150,000 linear feet of hurricane-damaged streambank.
- **Hurricane Wilma – Brevard County:** On October 24, 2005, Hurricane Wilma hit Broward County. Most of the over 2,000 miles of canals and waterways in Broward County were damaged from debris

and erosion. NRCS provided financial and technical assistance to 31 local units of government to remove debris from waterways and repair erosion damage to streambanks. Several sites are completed but work continues.

**Massachusetts: Whittenton Pond Dam, Taunton.** NRCS used EWP funding to alleviate the threat to public safety and property through a controlled draw-down of water due to the high risk of dam failure because of flooding. The wooden portion of the dam was removed as part of the draw-down and rock was used to stabilize the site to stop further erosion. Without immediate action by NRCS the dam could have failed and resulted in flooding business and residences in Taunton.

**Massachusetts: Millpond Dam, Rockport.** A dam in Rockport partially collapsed after heavy rain and was in jeopardy of failing. NRCS immediately responded and placed rock to stabilize the dam until sponsors could inspect and determine the best course of action to either rebuild or remove the dam. Without NRCS action the dam could have failed, damaging water and sewer lines immediately downstream along with other businesses and residences. Since the dam is in close proximity to Rockport Harbor, the rupture of the sewer line could have caused serious contamination.

**Mississippi: Hurricane Katrina Recovery.** The EWP Downed Timber Removal program mitigates wildfire hazard resulting from Hurricane Katrina, as well as improves forest stand health, timber production, and wildlife habitat, recreation, aesthetics, and hydrologic conditions. Reimbursement provided to non-industrial forest landowners is based on 75 percent cost-share not to exceed \$150 per acre. The Downed Timber Removal Program helped a Mendenhall tree producer restore his family's source of livelihood to its pre-Katrina productivity with an approved recovery plan for 1,747 acres of downed timber removal, 61,500 feet of firebreaks, and 515 acres of prescribed burning.

**Texas: Hurricane Rita Recovery.** NRCS provided Port Arthur with approximately \$750,000 in financial assistance through EWP. "We are so grateful that NRCS came to us and offered some help," said the Port Arthur Director of Public Works. "You've helped us financially and boosted our morale because it was clear to all that you were truly here to help." The cost-share funding provided by NRCS has been used primarily to remove trees and other debris left along roadsides that created a health and safety hazard. This expanded program authority was used in 12 other communities along the Texas Gulf Coast impacted by Hurricane Rita. To date, NRCS in Texas has removed over 37,000 tons of debris, benefited over 400,000 citizens and protected property valued greater than \$62 million.

**PART Assessment.** During FY 2004, a Program Assessment Rating Tool (PART) assessment on EWP rated the program as "Results Not Demonstrated." The assessment found that the EWP's historically unpredictable funding based on natural disasters inhibited the program's ability to develop a strategic program design, establish performance measures and targets, and identify and fund non-exigent recovery and flood plain easement purchase priorities. In response to the findings, NRCS refined the long-term performance measures, established baselines, set ambitious targets, and developed program efficiency measures. NRCS also issued a final rule for the program, effective May 4, 2005.

In FY 2006, a PART reassessment rated the program to be "Adequate." The reassessment found that NRCS has improved EWP management with State Emergency Recovery Plans that allow for rapid response; improved coordination with other emergency assistance agencies; and addressed actions recommended in both internal and external evaluations. In response to the FY 2006 findings, NRCS improved program performance through:

- An Updated EWP manual that provides guidance on how to implement a cost effective and efficient program, and
- Improved data management that increases program accountability and efficiency, improves financial reporting, and increases cost-effectiveness.

NATURAL RESOURCES CONSERVATION SERVICE  
**Watershed Rehabilitation Program**

The estimates include appropriation language for this item as follows:

Watershed Rehabilitation Program

For necessary expenses to carry out rehabilitation of structural measures, in accordance with section 14 of the Watershed Protection and Flood Prevention Act (16 U.S.C 1012), and in accordance with the provisions of laws relating to the activities of the Department, \$5,807,000, to remain available until expended.

NATURAL RESOURCES CONSERVATION SERVICE  
Watershed Rehabilitation Program

Estimate, 2007.....	\$28,559,000
Budget Estimate, 2008 .....	<u>5,807,000</u>
Decrease in Appropriations .....	<u>-22,752,000</u>

**Summary of Increases And Decreases  
(On basis of appropriation)**

<u>Item of Change</u>	2007		Program	2008
	<u>Estimated</u>	<u>Pay Costs</u>	<u>Changes</u>	<u>Estimated</u>
Watershed Rehabilitation Program .....	<u>\$28,559,000</u>	<u>+\$341,000</u>	<u>-\$23,093,000</u>	<u>\$5,807,000</u>

**Project Statement  
(On basis of appropriation)**

<u>Program</u>	<u>2006 Actual</u>		<u>2007 Estimated</u>		Increase or Decrease	<u>2008 Estimated</u>	
	Amount	: Staff: : Years:	Amount	: Staff: : Years:		Amount	: Staff : Years
Watershed Rehabilitation:							
Technical Assistance ....	\$16,636,000:	92:	\$13,359,000:	96:	-\$7,552,000:	\$5,807,000:	35
Financial Assistance .....	14,609,000:	--:	15,200,000:	--:	-15,200,000:	--:	--
Total Available or Est. ....	<u>31,245,000:</u>	<u>92:</u>	<u>28,559,000:</u>	<u>96:</u>	<u>-22,752,000:</u>	<u>5,807,000:</u>	<u>35</u>
Rescission.....	+316,000:	--:					
Total, Appropriation.....	<u>31,561,000:</u>	<u>--:</u>					

**Project Statement  
(On basis of available funds)**

<u>Program</u>	<u>2006 Actual</u>		<u>2007 Estimated</u>		Increase or Decrease	<u>2008 Estimated</u>	
	Amount	: Staff: : Years:	Amount	: Staff: : Years:		Amount	: Staff : Years
Watershed Rehabilitation:							
Technical Assistance ....	\$13,933,526:	92:	\$14,733,213:	96:	-\$8,926,213:	\$5,807,000:	35
Financial Assistance .....	15,891,838:	--:	16,904,085:	--:	-16,904,085:	--:	--
Total Direct Obligations...	<u>29,825,364:</u>	<u>92:</u>	<u>31,637,298:</u>	<u>96:</u>	<u>-25,830,298:</u>	<u>5,807,000:</u>	<u>35</u>
Unobligated balance							
brought forward.....	(-985,049)	--:	(-3,078,298)	--:	(+3,078,298)	--:	--
Prior Year Recoveries .....	(-673,613)	--:	--:	--:	--:	--:	--
Unobligated balance							
carried forward .....	(+3,078,298)	--:	--:	--:	--:	--:	--
Adjusted Appropriation....	<u>(31,245,000)</u>	<u>--:</u>	<u>(28,559,000)</u>	<u>--:</u>	<u>(-22,752,000)</u>	<u>(5,807,000)</u>	<u>--</u>
Reimbursable Oblig.....	-89,497:	--:	--:	--:	--:	--:	--
Obligational Authority .....	<u>29,735,867:</u>	<u>92:</u>	<u>31,637,298:</u>	<u>96:</u>	<u>-25,830,298:</u>	<u>5,807,000:</u>	<u>35</u>



**Justification of Increases and Decreases**

- (1) A net decrease of \$22,752,000 for Watershed Rehabilitation (\$28,559,000 available in 2007) consisting of:

- (a) A decrease of \$23,093,000 and 61 staff years for watershed rehabilitation activities.

The 2008 budget proposes \$5,807,000 to assist local government and private landowners with planning the rehabilitation of federally built dams that have reached the end of their design life. This reduction reflects the Administration's position that the maintenance, repair, and operation of these dams are primarily a local responsibility since program benefits are highly localized. A reduced level of funding will provide only technical assistance to address those dams with the greatest potential for damage.

- (b) An increase of \$341,000 to fund pay costs of which \$242,000 is for 2008 and \$99,000 is for 2007 pay costs.

This increase supports achieving the agency's strategic goals and objectives of reducing risks from flooding to protect individual and community health and safety. The increased pay cost funds will be used to pay salaries and benefits for existing staff.

NATURAL RESOURCES CONSERVATION SERVICE  
Watershed Rehabilitation Program

**Geographic Breakdown of Obligations and Staff Years  
2006 Actual and Estimated 2007 and 2008**

	2006		2007		2008	
	Amount	Staff Years	Amount	Staff Years	Amount	Staff Years
Alabama .....	\$724,373	1	\$770,000	1	\$31,000	--
Arizona .....	4,131,269	3	4,390,400	3	263,100	1
Arkansas .....	109,024	--	115,300	--	45,400	--
California .....	4,786	--	5,100	--	2,000	--
Colorado .....	184,227	1	194,800	1	76,800	--
Georgia .....	2,232,452	4	2,369,200	4	363,600	2
Illinois .....	-22	--	--	--	--	--
Indiana .....	95,251	1	100,700	1	39,700	--
Iowa .....	273,760	1	290,500	1	43,200	--
Kansas .....	69,493	--	73,500	--	29,000	--
Kentucky .....	249,969	2	264,300	2	104,200	1
Louisiana .....	14,874	--	15,700	--	6,200	--
Massachusetts .....	16,800	--	17,800	--	7,000	--
Michigan .....	11,264	--	11,900	--	4,700	--
Minnesota .....	9,991	--	10,600	--	4,200	--
Mississippi .....	1,573,906	4	1,670,500	4	239,200	1
Montana .....	-540	--	--	--	--	--
Nebraska .....	1,898,894	4	2,014,000	4	385,000	2
New Hampshire .....	169,499	--	179,200	1	70,600	--
New Jersey .....	43,401	--	45,900	--	18,100	--
New Mexico .....	1,361,830	4	1,445,100	4	227,400	1
New York .....	136,224	1	144,000	1	56,800	--
North Dakota .....	348,168	3	368,200	3	145,100	1
Ohio .....	42,695	--	45,100	--	17,800	--
Oklahoma .....	7,401,790	23	7,852,585	24	1,369,400	11
Pennsylvania .....	157,185	--	166,200	1	65,500	--
Puerto Rico .....	61,971	--	65,500	--	25,800	--
South Carolina .....	66,264	1	70,100	1	27,600	--
South Dakota .....	13,689	--	14,500	--	5,700	--
Tennessee .....	256,352	3	271,200	3	102,800	1
Texas .....	3,834,739	17	4,068,900	18	663,800	7
Utah .....	292,410	2	309,200	2	121,900	1
Virginia .....	1,527,089	6	1,621,300	6	197,600	2
West Virginia .....	279,245	2	295,300	2	116,400	1
Wisconsin .....	104,849	1	110,900	1	43,700	--
Wyoming .....	81,689	1	86,400	1	34,100	--
National Hdqtr .....	1,740,654	5	1,840,013	5	725,200	3
National Centers .....	167,119	1	176,700	1	69,600	--
Nat. Tech. Sup. Cen .....	138,731	1	146,700	1	57,800	--
<b>Total Obligations/Est.....</b>	<b>29,825,364</b>	<b>92</b>	<b>31,637,298</b>	<b>96</b>	<b>5,807,000</b>	<b>35</b>

NATURAL RESOURCES CONSERVATION SERVICE  
Watershed Rehabilitation Program

**Classification By Objects**  
**2006 Actual and Estimated 2007 and 2008**

Personnel Compensation:	<u>2006</u>	<u>2007</u>	<u>2008</u>
Washington, D.C. ....	\$500,402	\$529,000	\$202,000
Field.....	<u>6,181,027</u>	<u>6,535,000</u>	<u>2,492,000</u>
11 Total personnel compensation .....	6,681,429	7,064,000	2,694,000
12 Personnel benefits .....	1,566,571	1,657,000	632,000
13 Benefits for former personnel .....	<u>2,334</u>	<u>2,000</u>	<u>1,000</u>
Total pers. comp. & benefits.....	<u>8,250,334</u>	<u>8,723,000</u>	<u>3,327,000</u>
 Other Objects:			
21 Travel.....	367,457	388,000	158,000
22 Transportation of things.....	32,486	34,000	14,000
23.1 Rent payments to GSA.....	--	--	--
23.2 Rental payments to others.....	300,919	318,000	129,000
23.3 Communications, utilities, and misc. charges.....	243,884	258,000	105,000
24 Printing and reproduction.....	20,739	22,000	9,000
25.1 Advisory and assistance services ....	--	--	--
25.2 Other services .....	4,046,671	4,281,213	1,778,000
25.2 Construction contracts .....	5,385,514	5,729,000	--
26 Supplies and materials .....	290,548	308,000	125,000
31 Equipment.....	373,545	394,000	160,000
32 Land and structures .....	--	--	--
41 Grants.....	10,506,324	11,175,085	--
42 Insurance and loans.....	5,864	6,000	2,000
43 Interest and dividends .....	1,079	1,000	--
44 Refunds .....	<u>--</u>	<u>--</u>	<u>--</u>
Total other objects.....	<u>21,575,030</u>	<u>22,914,298</u>	<u>2,480,000</u>
Total, direct obligations.....	<u>29,825,364</u>	<u>31,637,298</u>	<u>5,807,000</u>

**NATURAL RESOURCES CONSERVATION SERVICE  
WATERSHED REHABILITATION PROGRAM**

**STATUS OF PROGRAM**

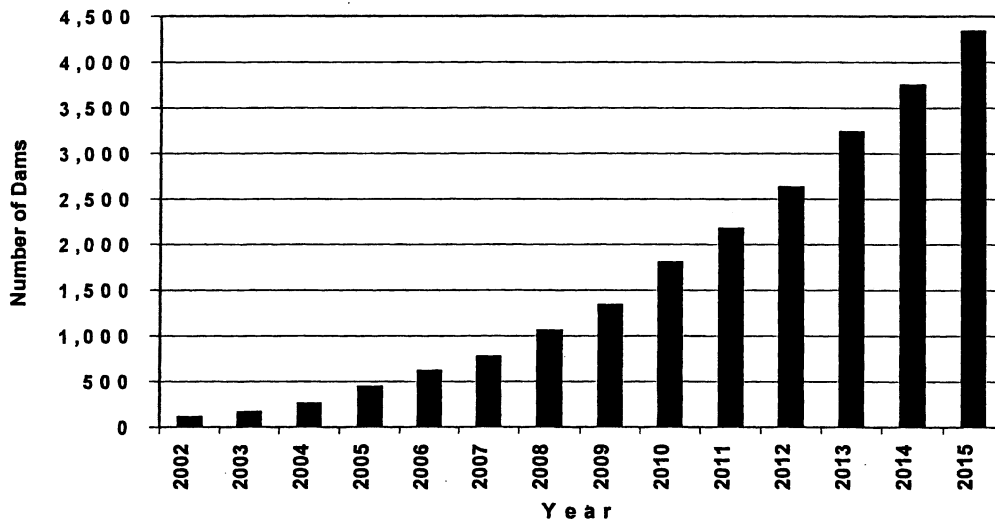
**Current Activities**

**Background.** Local communities have constructed more than 11,000 watershed dams with assistance from NRCS since 1948. These dams protect America's communities and natural resources with flood control but many also provide the primary source of drinking water for some areas, as well as recreation and wildlife areas for others. These projects have become an integral part of the communities they were designed to protect. But like highways, utilities, and other public infrastructure, these dams need to be rehabilitated to protect public health and safety and to meet changing resource needs.

Some communities that have been protected by these watershed dams are now more vulnerable to the devastation caused by flooding because many of the dams have reached or will soon reach the end of their 50-year design life. In 2006, 623 watershed dams reached the end of their designed life-span. By 2015, this number will exceed 4,300. Time has taken its toll on many of the dams: spillway pipes have deteriorated and reservoirs have filled with sediment. More significantly, subdivisions and businesses have been built in areas that were once agricultural land and that the dams protected from flooding. As a consequence, if a dam should fail, a serious threat would be posed to the health and safety of those living downstream and to the communities that depend on the reservoir for drinking water. A dam failure would create serious adverse environmental impacts in the ecosystem.

Background information and case studies of the rehabilitation needs of watershed dams across the nation can be found on the NRCS webpage at [http://www.nrcs.usda.gov/programs/ws\\_reinvent/index.html](http://www.nrcs.usda.gov/programs/ws_reinvent/index.html).

**Number of Watershed Dams That Will Reach the  
End of Their Design Life, By Year Through 2015**



**Authorizing Legislation and Pilot Projects.** In November 2000, P.L. 83-566 was amended by P.L. 106-472 "The Watershed Rehabilitation Amendments of 2000," which authorized NRCS to assist communities to address public health and safety concerns and environmental impacts of aging dams. NRCS may provide technical and financial assistance for the planning, design, and implementation of rehabilitation projects that may include upgrading or removing the dams. NRCS may provide 65 percent of the total cost of the rehabilitation projects; however, federal funds cannot be used for operation and maintenance

activities. Rehabilitation also provides opportunities for communities to gain new benefits, such as adding municipal and irrigation water supplies, recreation, and wetland and wildlife enhancement. The 2002 Farm Bill amended Public Law 83-566 to increase authorized funding levels for Watershed Rehabilitation through FY 2007.

The FY 2000 and FY 2001 Agricultural Appropriations Act included authorization for a total of \$16 million of EWP funds for pilot rehabilitation projects. The maximum amount of Federal funds eligible for these pilot projects was 65 percent of the total rehabilitation project costs. NRCS worked with local project sponsors, state dam safety agencies, and community leaders on these high priority pilot projects that address public safety concerns and environmental issues. The pilot projects in New Mexico, Mississippi, Ohio, and Wisconsin include rehabilitation of 32 dams in 20 watershed projects. Construction is complete on 30 of the dams.

**Community Interest.** Project sponsors submitted requests for Federal assistance totaling \$45 million for the rehabilitation of 125 high priority dams in 25 states for FY 2006. It is anticipated that the watershed rehabilitation workload prior to FY 2009 will include assessments of the condition of 1,500 dams, development of 700 watershed rehabilitation plans, and completion of the rehabilitation of 450 dams. Estimated cost for this work is \$570 million.

**Appropriations.** FY 2006 was the fifth year of funding for watershed rehabilitation with \$31.5 million appropriated. A total of 49 rehabilitation projects in 15 states were funded in FY 2006 (including 3 new projects). Funds were also provided for construction and implementation of rehabilitation plans on 18 dams. Funds were not available to address 50 requests for new watershed rehabilitation projects. In FY 2002, \$10 million was appropriated; \$29.8 million in FY 2003; \$29.6 million in FY 2004; and \$27.5 million in FY 2005. Dams that posed the highest risk to life and property have been the highest priority for funds for all five years.

**Summary of Watershed Rehabilitation Projects and Allowances as of September 30, 2006**

State	Total Number Of Funded Rehabilitation Projects 2000 – 2006	Number of Dams Rehabilitated	FY 2006 Federal Allowances <sup>2</sup>
Alabama	1	0	\$725,000
Arizona	2	0	\$4,141,714
Arkansas	6	0	\$50,000
California	0	0	\$5,000
Colorado	0	0	\$190,000
Georgia	6	2	\$2,883,500
Idaho	0	0	\$0
Illinois	0	0	\$0
Indiana	0	0	\$100,000
Iowa	4	0	\$276,000
Kansas	1	0	\$70,000
Kentucky	1	0	\$378,000
Louisiana	0	0	\$15,000
Maine	0	0	\$0
Massachusetts	0	0	\$17,000
Michigan	0	0	\$12,000
Minnesota	0	0	\$10,000
Mississippi <sup>1</sup>	19	9	\$1,825,000
Missouri	2	1	\$0
Montana	1	0	\$0
Nebraska	7	0	\$1,923,000
New Hampshire	0	0	\$162,500

State	Total Number Of Funded Rehabilitation Projects 2000 – 2006	Number of Dams Rehabilitated	FY 2006 Federal Allowances <sup>2</sup>
New Jersey	0	0	\$45,000
New Mexico <sup>1</sup>	10	2	\$2,438,000
North Carolina	0	0	\$0
North Dakota	2	0	\$381,000
New York	3	2	\$160,000
Ohio <sup>1</sup>	8	7	\$50,000
Oklahoma	26	10	\$7,286,609
Pennsylvania	1	0	\$725,000
South Carolina	0	0	\$75,000
South Dakota	0	0	\$15,000
Tennessee	1	1	\$275,000
Texas	13	5	\$4,380,000
Utah	1	0	\$335,000
Vermont	0	0	\$0
Virginia	4	1	\$1,525,516
West Virginia	2	0	\$289,000
Wisconsin <sup>1</sup>	14	11	\$147,812
Wyoming	0	0	\$85,000
Puerto Rico	0	0	\$30,000
NHQ	0	0	\$2,138,347
<b>Total</b>	<b>135</b>	<b>51</b>	<b>\$33,164,998</b>

<sup>1</sup> Pilot Watershed Rehabilitation Projects are included in state totals

<sup>2</sup> Allowances include project planning and implementation and \$3,655,000 provided for assessments of dam condition and program management in 31 states. Allowances include carryover funds and prior year recoveries.

**Status of Authorized Projects.** The following watershed rehabilitation projects have been authorized for implementation (including the pilot rehabilitation projects):

State	Project	No. of Plans	No. of Dams
Alabama	Choccolocco Creek	1	1
Arizona	White Tanks	1	1
Arkansas	Muddy Fork	1	1
Georgia	Haynes-Brushy Creek	1	1
	Yellow River	4	5
Iowa	Glen Ellen	1	3
	Indian Creek	1	1
Missouri	Williams Creek	1	1
Mississippi	Black /Chicopa Creek	1	4
	Chiwapa	1	3
	Hubbard Murphree	1	3
	Persimmon Creek	1	4
	Shammack Creek	1	1
	Second Creek	1	3
Nebraska	Upper Salt Creek	2	2
	Papillion Creek	1	3
New Mexico	Hackberry Draw	1	2
	Hatch Valley Arroyos	1	1
	Santa Cruz	1	1

State	Project	No. of Plans	No. of Dams
Ohio	Chippewa	2	2
	Margaret Creek	1	1
	Rush Creek	1	1
	Upper Hocking	2	2
	West Fork Duck Creek	1	1
Oklahoma	Barnitz Creek	1	1
	Big Wewoka	1	1
	Caney Coon Creek	1	1
	Cavalry Creek	1	1
	Cobb Creek	2	2
	Cottonwood Creek	2	4
	Double Creek	1	6
	Mill Creek	1	1
	Sallisaw Creek	3	7
	Sandstone Creek	2	3
	Sergeant Major Creek	1	2
	Turkey Creek	1	1
	Pennsylvania	North Fork of Cowanes	1
Tennessee	Mary's Creek	1	1
Texas	East Fork Above Lavon	3	8
	Martinez Creek	3	3
	Upper Brushy Creek	1	2
Virginia	Marrowbone	1	1
	Potomac-South River	1	3
Wisconsin	Alma Mill Creek	1	3
	Bad Axe Creek	1	1
	Glen Hills Creek	1	1
	Klinkner	1	1
	Mill Creek	1	1
	Otter Creek	1	1
	Plain Honey Creek	1	1
	Plum Creek	1	1
	Twin Park Creek	1	1
Total		67	108

**Meeting Challenges through Partnerships.** Partnerships between local communities, state governments, and NRCS leverage funds and services and allow many projects to move quickly through the planning and implementation stages.

- **Technical capacity.** NRCS does not have adequate technical staff to respond to all requests for assistance from project sponsors for watershed rehabilitation. Private consultants were hired to provide technical services including conducting assessments of the existing conditions of dams, providing topographic surveys and mapping, geologic investigations, as well as detailed planning and design services. Some sponsors have used either their own professional staff or acquired technical services as part of their "in-kind" contribution to meet their 35 percent cost-share requirement.
- **Financial assistance.** The watershed rehabilitation authorization requires local sponsors to provide 35 percent of the total project cost. Sponsors used many innovative means to obtain the funds necessary to address the rehabilitation of the aging dams that were threatening their local communities. Some sponsors used the sale of bonds dedicated to dam safety and rehabilitation, levied taxes on beneficiaries, obtained grants, used state appropriations, sought voluntary land rights from private landowners, and provided in-kind services using existing staff.

**Selected Example of Recent Progress**

**Project Status and Benefits.** By September 30, 2006, the rehabilitation of 108 dams was authorized in 16 states. Planning continues on the rehabilitation of 31 other dams. The rehabilitation of 51 dams has been completed. Approximately 121 dam assessments have been completed during the past year. The assessments have provided the sponsors with information to help them make informed decisions on priority projects to pursue. The following table summarizes the benefits provided by the 51 completed projects and status of project implementation.

**Benefits Provided by Completed Watershed Rehabilitation Projects as of September 30, 2006**

State	Dams with rehabilitation completed (No.)	Average annual floodwater damage reduction benefits (\$)	Average annual non-floodwater damage reduction benefits (\$)	People with reduced risk downstream from the dams (No.)	People who benefit from project action (No.)	Homes and businesses benefiting from project action (No.)	Farms and ranches benefiting from project action (No.)	Bridges benefiting from project action (No.)
GA	2	\$423,535	\$128,973	490	21,195	85	0	10
MO	1	\$5,097	\$322,223	10	4,044	4	0	1
MS	9	\$463,123	\$0	15	112	5	5	11
NM	2	\$1,381,306	\$257,000	3,636	5,546	2,312	65	4
NY	2	\$5,100	\$0	60	2,752	60	20	7
OH	7	\$283,252	\$178,114	285	1,650	140	51	34
OK	10	\$189,895	\$19,346	1,938	3,320	140	20	12
TN	1	\$4,166	\$231,013	5	8	3	1	4
TX	5	\$421,400	\$459,700	1,190	4,062	930	23	7
VA	1	\$61,776	\$0	100	15,000	41	1	14
WI	11	\$106,445	\$141,268	9	27,857	6	71	30
Total	51	\$3,345,095	\$1,737,637	7,738	85,546	3,726	257	134

**Virginia: South River Watershed Rehabilitation Project.** NRCS authorized federal assistance for the rehabilitation of three dams at an estimated cost of \$4.1 million so that these dams will continue to serve Virginia residents safely for the next 50 years. The projects include Robinson Hollow Dam, Thomas Branch Dam and Inch Branch Dam in the South River Watershed in Augusta County, VA. The Robinson Hollow and Inch Branch Dams were built in 1956 and the Thomas Branch Dam was built in 1957. The rehabilitation of these dams will reduce the threat to more than 1,300 people who live in 263 homes downstream from the dams, as well as provide continued protection of 29 roads, 13 bridges and 10 business structures. The projects will provide \$179,000 in monetary benefits each year for the next 50 years. Project sponsors include the Headwaters Soil and Water Conservation District, the Augusta County Board of Supervisors and the City of Waynesboro.

Authorized rehabilitation for each of the dams will include raising the tops of the dams by 4- to 5-feet with a concrete parapet wall, armoring the auxiliary spillways with articulated concrete blocks, and replacing the existing square risers with rectangular risers. The northern auxiliary spillway on the Robinson Hollow Dam will be widened by five feet. Installation is expected to take two years.

**PART Assessment.** During FY 2004, a single Program Assessment Rating Tool (PART) assessment was conducted on three NRCS watershed programs (Watershed Surveys and Planning, Watershed Protection and Flood Prevention, and Watershed Rehabilitation) and resulted in a rating of "Adequate." In response to the findings, the Agency has continued to improve the long-term performance measures by refining annual measures, developing the baseline data and establishing ambitious targets, as well as developing program efficiency measures.



NATURAL RESOURCES CONSERVATION SERVICE  
**Resource Conservation and Development**

The estimates include appropriation language for this item as follows:

Resource Conservation and Development

For necessary expenses in planning and carrying out projects for resource conservation and development and for sound land use pursuant to the provisions of Sections 31 and 32 of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1010-1011; 76 Stat. 607); the Act of April 27, 1935 (16 U.S.C. 590a-f); and subtitle H of title XV of the Agriculture and Food Act of 1981 (16 U.S.C. 3451-3461), \$14,653,000, to remain available until expended.

NATURAL RESOURCES CONSERVATION SERVICE  
Resource Conservation and Development

Estimate, 2007.....	\$50,787,000
Budget Estimate, 2008 .....	<u>14,653,000</u>
Decrease in Appropriations.....	<u>-36,134,000</u>

Summary of Increases And Decreases  
(On basis of appropriation)

<u>Item of Change</u>	<u>2007</u> <u>Estimated</u>	<u>Pay Costs</u>	<u>Other</u> <u>Changes</u>	<u>2008</u> <u>Estimated</u>
Resource Conservation and Development:				
1. Technical Assistance .....	\$50,787,000	+\$1,583,000	-\$37,717,000	\$14,653,000
2. Financial Assistance .....	--	--	--	--
Total Available.....	<u>\$50,787,000</u>	<u>+\$1,583,000</u>	<u>-\$37,717,000</u>	<u>\$14,653,000</u>

Project Statement  
(On basis of appropriation)

<u>Program</u>	<u>2006 Actual</u> <u>: Staff:</u> <u>Amount :Years:</u>	<u>2007 Estimated:</u> <u>: Staff:</u> <u>Amount :Years:</u>	<u>Increase</u> <u>or</u> <u>Decrease</u>	<u>:</u>	<u>2008 Estimated</u> <u>: Staff</u> <u>: Amount :Years</u>
Resource Conservation and Development:	:	:	:	:	:
1. Technical Assistance ....	\$50,787,000: 456:	\$50,787,000: 454:	-\$36,134,000(1)	:	\$14,653,000: 123
2. Financial Assistance .....	--: --:	--: --:	--	:	--: --
3. Loan Services .....	--: --:	--: --:	--	:	--: --
Total, Available or Estimate.....	50,787,000: 456:	50,787,000: 454:	-\$36,134,000	:	\$14,653,000: 123
Rescission .....	+513,000: --:				
Total Appropriation .....	<u>\$51,300,000: --:</u>				

**Project Statement**  
(On basis of available funds)

Program	2006 Actual		2007 Estimated		Increase or: Decrease	2008 Estimated	
	Amount	: Staff: : Years:	Amount	: Staff: : Years:		Amount	: Staff : Years
Resource Conservation and Development:	:	:	:	:	:	:	:
1. Technical Assistance ...	\$51,171,528:	456:	\$51,850,155:	454:	-\$37,197,155:	\$14,653,000:	123
2. Financial Assistance .....	--:	--:	--:	--:	--:	--:	--
Total, Direct Obligations..	51,171,528:	456:	51,850,155:	454:	-37,197,155:	14,653,000:	123
Unobligated Balance,	:	:	:	:	:	:	:
Start of Year .....	(-1,045,343)	--:	(-1,063,155)	--:	(+1,063,155)	--:	--
Prior Year Recoveries .....	(-402,340)	--:	--:	--:	--:	--:	--
Unobligated Balance,	:	:	:	:	:	:	:
End of Year .....	(+1,063,155)	--:	--:	--:	--:	--:	--
Total, Appropriation .....	(50,787,000)	--:	(50,787,000)	--:	(-36,134,000)	(14,653,000)	--
Reimbursable Obligations:	:	:	:	:	:	:	:
(a) Technical Assist .....	1,263,940:	1:	94,200:	1:	--:	94,200:	1
(b) Financial Assist .....	--:	--:	505,800:	--:	--:	505,800:	--
Total Reimbursable Oblig	1,263,940:	1:	600,000:	1:	--:	600,000:	1
Obligational Authority .....	\$52,435,468:	457:	\$52,450,155:	455:	-\$37,197,155:	\$15,253,000:	124

**Justification of Increases and Decreases**

- (1) A net decrease of \$36,134,000 for Resource Conservation and Development (\$50,787,000 available in 2007):
- (a) A decrease of \$37,717,000 and 331 staff years for the Resource Conservation and Development program activities.

The RC&D program provides technical assistance to local communities to develop strategic plans that address their locally identified natural resource and economic development concerns. The program's long-term goal is to improve the capability of local communities to plan and deliver natural resource improvement projects. The budget proposes to consolidate the RC&D Coordinator functions at the State level, reducing the number of RC&D Coordinators from the current number of 375 to about 50. Additionally, it will support RC&D assistance as collateral duties for field staff. The request would maintain the current number of authorized RC&D Areas nationwide without any decreases, substitutions, or consolidations. The responsibilities and duties of the RC&D Coordinator position would be modified to provide more programmatic oversight instead of hands-on day-to-day activities. RC&D Councils would be responsible for operation of their non-profit corporations without an NRCS employee being involved in day-to-day activities.

This proposed reduction in funding for the RC&D program is in response to the PART assessment of the program that found it duplicative of other USDA and Federal resource conservation and rural development programs. The requested level will require that coordinators' activities be more focused on multi-county/parish planning, intergovernmental relations, serving as the Federal Government Representative on any Federal contracts with the RC&D Councils, and coordinating USDA assistance for more effective and efficient implementation of RC&D Area Plans.

- (b) An increase of \$1,583,000 to fund pay costs of which \$1,101,000 is for 2008 and \$482,000 is for 2007 pay costs.

This increase supports achieving the goals and objectives of the strategic plan of improving the capability of State and local units of government and local nonprofit organizations in rural areas to plan, develop, and carry out programs for resource conservation and development. The increased pay cost funds will be used to pay salaries and benefits for existing staff.

#### Main Workload Factors

	2006 Actual	2007 Estimate	2008 Estimate
<u>Status of Designated RC&amp;D Areas:</u>			
Areas funded at start of year.....	375	375	375
New areas funded in year.....	--	--	--
Total Areas funded end of year .....	375	375	375
Applications on hand.....	(37)	(37)	(37)

#### RC&D Project Activity:

<u>Project Plans:</u>				
Approved	During year .....	4,362	4,000	520
	Cumulative .....	83,061	87,061	87,581
Ongoing	During year .....	6,221	6,000	780
Completed	During year .....	3,350	3,000	390
	Cumulative .....	73,228	76,228	76,618

#### Input of Resources to Projects (\$ in 1,000's):

(Resources provided for accomplishing projects. Includes direct technical and financial assistance and value of donated materials attributable to a project.)

-- RC&D resources.....	During year .....	--	--	--
-- Other Federal .....	During year .....	\$99,107	\$99,000	\$30,000
-- State government .....	During year .....	105,479	100,000	20,000
-- Local government .....	During year .....	37,811	35,000	7,500
-- Non-government.....	During year .....	\$146,103	\$140,000	\$40,000

#### Rural Development Loans:

Item	2006 Actual		2007 Estimated		2008 Estimated	
	No.	Amount	No.	Amount	No.	Amount
1. Loans obligated during year .....	--	--	--	--	--	--
2. Borrowers outstanding .....	10	\$401,000	10	\$401,000	10	\$401,000
3. Loans cumulative .....	292	\$29,484,709	292	\$29,484,709	292	\$29,484,709

NATURAL RESOURCES CONSERVATION SERVICE  
Resource Conservation and Development

Geographic Breakdown of Obligations And Staff Years  
2006 Actual and Estimated 2007 and 2008

	2006		2007		2008	
	STAFF		STAFF		STAFF	
	AMOUNT	YEARS	AMOUNT	YEARS	AMOUNT	YEARS
Alabama .....	\$1,017,421	9	\$1,009,775	9	\$291,339	2
Alaska.....	958,122	8	950,922	8	274,359	2
Arizona.....	787,299	7	781,383	7	225,444	2
Arkansas.....	851,509	7	845,111	7	243,830	2
California .....	1,492,415	12	1,481,200	12	427,355	3
Colorado.....	1,023,434	7	1,015,743	8	293,061	2
Connecticut .....	279,643	3	277,542	3	80,076	1
Delaware .....	136,074	1	135,052	1	38,965	--
Florida.....	929,491	6	922,507	7	266,160	2
Georgia.....	1,366,586	8	1,356,317	8	391,323	2
Hawaii.....	543,127	5	539,045	5	155,525	1
Idaho.....	1,090,251	12	1,082,058	12	312,194	3
Illinois.....	1,186,603	11	1,177,687	11	339,785	3
Indiana.....	1,010,979	12	1,003,382	12	289,494	3
Iowa.....	1,938,560	21	1,923,993	21	555,108	6
Kansas.....	1,099,185	10	1,090,925	10	314,752	3
Kentucky.....	1,680,155	19	1,667,530	19	481,115	5
Louisiana.....	959,817	6	952,604	6	274,844	2
Maine.....	661,534	5	656,563	5	189,431	2
Maryland.....	396,414	6	393,436	6	113,514	2
Massachusetts.....	400,635	4	397,624	4	114,722	1
Michigan.....	902,714	7	895,931	7	258,493	2
Minnesota.....	1,066,481	8	1,058,467	8	305,387	2
Mississippi.....	891,414	10	884,715	10	255,257	3
Missouri.....	1,019,927	12	1,012,263	12	292,057	3
Montana.....	1,096,953	8	1,088,710	8	314,113	2
Nebraska.....	1,438,974	16	1,428,161	16	412,051	4
Nevada.....	391,606	3	388,663	4	112,137	1
New Hampshire.....	295,786	3	293,563	3	84,698	1
New Jersey.....	261,411	2	259,447	2	74,855	1
New Mexico.....	856,674	11	850,236	11	245,309	3
New York.....	1,007,282	12	999,713	12	288,436	3
North Carolina.....	1,194,955	14	1,185,975	13	342,176	4
North Dakota.....	997,037	9	989,545	9	285,502	2
Ohio.....	1,114,027	9	1,105,656	9	319,002	3
Oklahoma.....	1,124,114	10	1,115,667	10	321,891	3
Oregon.....	602,367	5	597,840	5	172,488	1
Pacific Basin.....	225,674	2	223,978	2	64,622	1
Pennsylvania.....	1,086,151	11	1,077,989	11	311,020	3
Puerto Rico.....	400,932	4	397,920	4	114,807	1
Rhode Island.....	132,478	1	131,483	1	37,935	--
South Carolina.....	874,832	9	868,258	9	250,509	2
South Dakota.....	946,134	8	939,024	8	270,926	2
Tennessee.....	1,201,231	14	1,192,204	14	343,973	4
Texas.....	2,754,882	23	2,734,181	21	788,862	6

	2006		2007		2008	
	STAFF		STAFF		STAFF	
	AMOUNT	YEARS	AMOUNT	YEARS	AMOUNT	YEARS
Utah.....	939,643	8	932,582	8	269,067	2
Vermont .....	268,844	3	266,824	3	76,984	1
Virginia .....	899,332	11	892,574	10	257,524	3
Washington .....	933,424	8	926,410	8	267,286	2
West Virginia .....	700,494	7	695,230	7	200,587	2
Wisconsin.....	904,463	7	897,667	7	258,994	2
Wyoming.....	675,528	6	670,452	6	193,438	2
National Hdqtr.....	3,002,038	8	2,979,477	7	859,635	2
National Centers.....	664,745	5	659,750	5	190,350	1
Nat. Tech. Sup. Cent. ....	489,727	3	486,046	3	140,233	--
Forest Service.....	--	--	--	--	--	--
Undistributed.....	--	--	1,063,155	--	--	--
Total, Available/Est.....	<u>51,171,528</u>	<u>456</u>	<u>51,850,155</u>	<u>454</u>	<u>14,653,000</u>	<u>123</u>

**NATURAL RESOURCES CONSERVATION SERVICE  
Resource Conservation And Development**

**Classification By Objects  
2005 Actual and Estimated 2006 and 2007**

Personnel Compensation:	2006	2007	2008
Washington, D.C. ....	\$846,000	\$857,000	\$238,000
Field.....	<u>29,737,000</u>	<u>30,125,000</u>	<u>8,378,000</u>
11 Total personnel compensation .....	30,583,000	30,982,000	8,616,000
12 Personnel benefits .....	8,173,000	8,280,000	2,303,000
13 Benefits for former personnel .....	<u>-6,000</u>	<u>--</u>	<u>6,000</u>
Total pers. comp. & benefits.....	<u>38,750,000</u>	<u>39,262,000</u>	<u>10,925,000</u>
<b>Other Objects:</b>			
21 Travel.....	1,641,000	1,664,000	485,000
22 Transportation of things .....	215,000	218,000	64,000
23.2 Rental payments to others .....	1,598,000	1,620,000	472,000
23.3 Communications, utilities, and miscellaneous charges.....	1,034,000	1,048,000	305,000
24 Printing and reproduction.....	40,000	41,000	12,000
25.2 Other services .....	6,331,528	6,414,155	1,929,000
26 Supplies and materials .....	959,000	972,000	283,000
31 Equipment.....	592,000	600,000	175,000
42 Insurance and loans.....	8,000	8,000	2,000
43 Interest and dividends .....	<u>3,000</u>	<u>3,000</u>	<u>1,000</u>
Total other objects.....	<u>12,421,528</u>	<u>12,588,155</u>	<u>3,728,000</u>
Total, direct obligations.....	<u>51,171,528</u>	<u>51,850,155</u>	<u>14,653,000</u>

**NATURAL RESOURCES CONSERVATION SERVICE  
RESOURCE CONSERVATION AND DEVELOPMENT**

**STATUS OF PROGRAM**

**Current Activities**

**Background.** The Resource Conservation and Development (RC&D) Program was developed under the Soil Conservation and Domestic Allotment Act, (16 U.S.C. 590a-590f), the Bankhead-Jones Farm Tenant Act, (16 U.S.C. 1010 and 1011), and the Food and Agriculture Act of 1962, and is authorized under subtitle H, title XV of the Agriculture and Food Act of 1981, (16 U.S.C. 3451-3461), as amended. The Food Security and Rural Investment Act of 2002 (2002 Act) permanently authorized the program. The Natural Resources Conservation Service (NRCS) administers the program. In 1981, sections 1528-1538 of the Agriculture and Food Act authorized a program to encourage and improve the capability of State and local units of government and nonprofit organizations in rural areas to plan, develop, and implement programs for resource conservation and development. Through the program, RC&D areas establish or improve coordination systems in rural communities and build rural community leadership skills to effectively use Federal, State, and local programs for the communities' benefit. The 2002 Act further strengthened the relationship between the Department of Agriculture (USDA) and the RC&D areas.

The NRCS provides program administration and assistance to RC&D areas through volunteer non-profit RC&D Councils. Other USDA agencies with conservation or development activities are involved in the development of program policy and guidance and are members of the USDA RC&D Policy Advisory Board and Working Group. These agencies provide limited technical and financial assistance to RC&D Councils. Councils also obtain the assistance from other local, State, and Federal agencies, private organizations, and foundations to carry out their specific projects.

The RC&D program combines private enterprise and creative federalism and blends natural resource use with local economic and social values. RC&D Councils and their sponsors initiate and lead the planning and implementation of their locally developed RC&D area plans, in association with State, local, and Federal governments, and non-profit organizations. Program objectives address improving the quality of life, including social, economic and environmental concerns; continuing prudent use of natural resources; and strengthening the local citizens' ability to use available sources of assistance through USDA and other Federal agency partnerships.

**Geographic Scope.** The Secretary has designated 375 RC&D areas that serve 2,681 counties in every state, the Caribbean, and the Pacific Basin. Designated areas continue to serve over 85 percent of U.S. counties and more than 77 percent of the U.S. population. Another 37 applicant areas covering 251 additional counties have applied for the Secretary's designation. The 1990 Food, Agriculture, Conservation and Trade Act limited assistance to not more than 450 active designated areas. Since FY 2003, USDA designated RC&D areas have remained at 375; there are 37 applications.

**Status of Resource Conservation and Development Program As of September 30, 2006<sup>1</sup>**

State	Area Applications on Hand			Areas Designated for Assistance		
	No.	Acres	Counties	No.	Acres	Counties
Alabama	--	--	--	9	32,898,231	67
Alaska	1	15,000,000	--	8	165,804,000	6
Amer. Samoa	--	--	--	1	49,520	17
Arizona	--	--	--	6	90,243,391	27
Arkansas	--	--	--	6	33,314,813	75
California	3	13,930,361	16	12	108,495,155	53
Colorado	--	--	--	8	66,833,681	56
Connecticut	--	--	--	2	3,127,056	8
Delaware	--	--	--	1	1,265,920	3

State	Area Applications on Hand			Areas Designated for Assistance		
	No.	Acres	Counties	No.	Acres	Counties
Florida	3	8,444,944	14	7	21,764,950	42
Georgia	1	2,302,592	9	11	29,427,813	126
Hawaii	--	--	--	4	4,083,810	4
Idaho	--	--	--	8	56,971,949	40
Illinois	3	7,034,284	18	10	24,945,273	74
Indiana	1	1,265,024	5	9	15,246,776	62
Iowa	--	--	--	16	32,541,347	90
Kansas	2	7,841,392	14	9	42,781,805	65
Kentucky	--	--	--	14	25,771,899	116
Louisiana	--	--	--	7	31,331,761	63
Maine	--	--	--	5	19,106,313	16
Maryland	--	--	--	3	4,540,502	17
Massachusetts	--	--	--	3	7,307,413	15
Michigan	1	3,324,300	7	7	32,271,415	71
Minnesota	2	5,719,340	12	8	46,265,618	68
Mississippi	--	--	--	7	36,403,294	89
Missouri	3	8,698,149	23	8	27,021,426	67
Montana	--	--	--	8	83,231,755	52
Nebraska	--	--	--	12	48,547,276	93
Nevada	--	--	--	3	43,199,607	12
New Hampshire	--	--	--	2	5,871,374	10
New Jersey	1	378,880	4	2	4,416,936	17
New Mexico	--	--	--	8	84,320,670	33
New York	--	--	--	8	30,509,978	61
North Carolina	3	6,431,129	19	10	24,688,027	63
North Dakota	--	--	--	8	44,405,257	53
Ohio	--	--	--	9	23,125,737	86
Oklahoma	--	--	--	9	48,160,967	77
Oregon	2	18,197,760	5	5	34,474,233	29
Pacific Basin	4	363,776	34	1	896,000	2
Pennsylvania	--	--	--	9	28,390,076	65
Puerto Rico	1	642,622	1	3	1,665,883	8
Rhode Island	--	--	--	1	677,120	5
South Carolina	--	--	--	7	19,765,968	47
South Dakota	2	8,237,293	13	7	43,046,818	41
Tennessee	1	5,500,800	18	10	19,685,819	73
Texas	1	3,752,384	8	22	165,482,524	244
Utah	--	--	--	7	56,021,926	33
Vermont	--	--	--	2	6,107,890	14
Virginia	1	1,127,040	2	7	13,250,919	55
Washington	--	--	--	7	33,845,712	24
West Virginia	--	--	--	6	15,477,529	54
Wisconsin	--	--	--	7	35,528,726	72
Wyoming	--	--	--	5	63,247,053	23
TOTALS	37	118,192,070	222	375	1,937,856,911	2,683

<sup>1</sup> For multi-state RC&D areas, the number is associated with the States having leadership. "Acres" reflect actual acreage in each State covered by the applications or areas. "Counties" reflect all or parts of counties where RC&Ds are located, not in the State with leadership. "Counties" column reflects no duplications if a portion of a county is in more than one RC&D area or application.

**RC&D Area and Council Operations.** A RC&D area is a locally defined multi-county area, sponsored and directed by a RC&D Council that carries out the program encouraging natural resource conservation



and utilization, accelerated economic development, and/or improvement of social conditions where needed to foster a sound local economy. The Council consists of sponsors from the public and private sector that represent a diverse cross-section of community interests. Sponsors include county and city governments, soil and water conservation districts, sub-state districts, Tribal governments, and other interested private organizations in the area. RC&D epitomizes grassroots involvement and decision-making. From public meetings to identify community concerns, needs, and problems, the Council develops an area plan that details the goals, objectives, and action items needed to address the local communities' priorities and concerns. The Council then collects data about identified problems, develops alternatives, and recommends solutions. Implementation of an action item may include one step or a full range of steps, such as problem identification, development of alternatives, plan development, and funding.

RC&D projects generally focus on eight broad areas:

- Resource base protection projects for soil erosion control, noxious plant and pest control, stream bank improvement, preservation of prime land, and mine reclamation; natural resource studies; energy conservation and alternative sources of energy such as biomass.
- Fish and wildlife projects for the protection, improvement, or development of fish and wildlife habitat.
- Waste and waste utilization projects for the efficient and environmentally sound disposal of animal waste; development or improvement of a landfill; waste collection; solid waste disposal; composting and recycling of glass, metals, paper, wood, and furniture.
- Community improvement projects that improve community infrastructure including studies on zoning, facilities or services needed, and project implementation. Projects include constructing and improving public trails; community centers and other old community buildings; constructing, improving or repairing subsidized housing; improving roads and parks; and installing dry fire hydrants.
- Forestry projects improve forested areas through education on safety or harvesting techniques; developing or expanding forest related industries; developing wood waste energy sources; developing or improving value added forestry related products; studies such as forest inventories, species, or forest products; and improving rural road infrastructure with timber bridges.
- Economic development projects include marketing and producer surveys or feasibility studies; assisting with grants, loans, or other financing; assisting in the formation or expansion of agriculture or natural resource related businesses, or other businesses involved with value-added products. Projects can include improvement of agricultural production. Marketing and merchandising projects result in cooperatives or associations; business or marketing plans; and advertising and promotional materials.
- Water projects improve surface and groundwater quality and quantity. Many projects deal with pollution control and dispersing water. Projects include watershed management; construction or rehabilitation of irrigation, flood control systems; wastewater treatment; and efficient use of aquifers.
- Recreation and tourism projects include feasibility studies and the creation or improvement of water-based recreational areas for swimming, boating, and canoeing, and boat launch sites; establishment or improvement of non water-based recreational areas such golf courses, rodeo arenas, trails, or ball parks; historic site preservation; and establishment or upgrade of a tourist attraction.

**NRCS Program Support.** NRCS provides the Council a RC&D Coordinator and an office. The RC&D Coordinator facilitates the development and implementation of an individualized and locally determined program (i.e., area plan) with the Council and the local people. NRCS and other USDA agencies provide planning and technical assistance for implementing the area plan. RC&D activities are broader than those created from USDA assistance alone. The Coordinator is the link between the RC&D Council, its other partners, and the USDA. The goal is an empowered Council that has the capacity to build effective public/private partnerships that result in strong rural community leadership and accomplishments. Other Federal agencies provide assistance to RC&D councils within their existing authorities and programs as needed. State and local units of government also participate, as well as non-profits and private businesses.

#### Selected Examples of Recent Progress

**Overview of FY 2006 Progress.** RC&D management and information system indicators provide several measures of success. Reporting areas have indicated that Councils and their partners have helped to create 968 new businesses, expand 1,651 businesses, retain 1,003 businesses, and assist 397 businesses financially

with funds totaling \$14.5 million. An estimated 8,260 jobs have been created through area projects, nationally. Councils have obtained over \$388.5 million in external grant funds in FY 2006.

Efforts to improve natural resources have resulted in the improvement of an estimated 14 million acres of wildlife habitat, 815,000 acres of lakes and other water bodies, and 6,225 miles of streams. RC&D Councils assisted over 2,700 animal agricultural operations with water quality projects; assisted with the construction or rehabilitation of 54 flood control structures; and preserved or protected over 6.4 million acres of agricultural land. Thirty-four RC&D Councils in 20 States implemented renewable energy projects. Projects addressed producing biofuels from soybeans, ethanol production from corn, and energy production from other biomass, solar, water and wind sources.

In FY 2006, RC&D Councils held over 6,300 workshops, tours and seminars nationwide on agriculture, aquaculture, forestry and wildlife; and over 7,600 training sessions on leadership development, grant writing, business development, non-profit management and environmental education. These educational projects have helped nearly 1 million people develop new skills. More than 6,600 natural resource related school curriculum and programs were created. RC&D projects have helped over 5.2 million economic or socially disadvantaged people. Councils assisted 118 Tribal Nations, RC&D Councils, through implementation of projects, served over 52 million citizens nationwide.

More than 3,350 projects that focus on the goals in RC&D area plans were completed in FY 2006. More than 5,500 projects will continue in FY 2007. Since 1964, RC&Ds have completed over 72,000 projects. More information on the RC&D program and linkages to individual RC&D Council homepages can be found on the NRCS RC&D homepage at <http://www.nrcs.usda.gov/programs/rcd/>.

**Missouri: City of Marshfield Missouri Watershed Committees.** The Southwest Missouri RC&D saved the City of Marshfield about \$3.5 million in sewage system construction costs associated with expansion of the current treatment plant. Rapid population growth forced the Marshfield Council to decide on future sewage treatment plant capacity in the headwaters of five major rivers. The RC&D helped the city form and facilitate local watershed committees who studied the regulatory, engineering, and scientific issues and proposed a plan that was accepted by city council. The project resulted in significant increase in the city's capacity for local decision-making and improved relations with federal and state agencies.

**Arizona: Drinkable Water.** The Hohokam RC&D Council partnered with USDA Rural Development, EPA, and the Globe-Miami Chamber of Commerce to provide safe drinking water to 550 people from 138 families through the construction of a seven-mile pipeline system. For 35 years, residents of Globe drank water brought from outside the area because of chemical pollution had tainted the water supply. The pipeline also assists with fire protection in the Tonto/Pinal Mountain Recreation Area.

**Virginia: Environmental Field School.** The Old Dominion RC&D Council, in partnership with five conservation districts, developed an Environmental Field School for socially disadvantaged, elementary school students. The effects of land practices are taught with a three-dimensional watershed model.

**Arkansas: Eastman Chemical Biofuels Project.** The Ozark Foothills RC&D Council in Arkansas worked with the Eastman Chemical Company in Batesville to develop a niche in the biofuels industry. The company now produces over 14 million gallons of biodiesel from soybean oil annually and has added eight new employees. It is the first Arkansas company to manufacture an energy product from Arkansas crops.

**PART Assessment.** In FY 2006, a Program Assessment Rating Tool (PART) reassessment rated the RC&D program "Adequate," an improvement from the FY 2004 rating of "Results Not Demonstrated." Since FY 2004, NRCS has refined long-term performance measures, developed baseline data, established an efficiency index, and implemented recommendations from a nationwide review of the RC&D program. As a result of the FY 2006 reassessment, the Agency has improved the ability to track and report program performance through a web-based database and initiated implementation of a 5-year comprehensive budget and performance strategy aligned with the Strategic Plan.

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NATURAL RESOURCES CONSERVATION SERVICE  
**Healthy Forests Reserve Program**

The estimates include appropriation language for this item as follows:

Healthy Forests Reserve Program

For necessary expenses to carry out the Healthy Forest Reserve Program authorized under title V of Public Law 108-148 (16 U.S.C. 6571-6578), \$2,476,000.

NATURAL RESOURCES CONSERVATION SERVICE  
Healthy Forests Reserve Program

Estimate, 2007.....	\$2,475,000
Budget Estimate, 2008 .....	<u>2,476,000</u>
Increase in Appropriations .....	<u>+1,000</u>

**Summary of Increases and Decreases  
(On basis of appropriation)**

Item of Change	2007		Program Changes	2008 Estimated
	<u>Estimated</u>	<u>Pay Costs</u>		
Healthy Forests Reserve Program.....	<u>\$2,475,000</u>	<u>+\$5,000</u>	<u>-\$4,000</u>	<u>\$2,476,000</u>

**Project Statement  
(On basis of appropriation)**

Program	2006 Actual		2007 Estimated		Increase or Decrease	2008 Estimated	
	Amount	Staff: Years:	Amount	Staff: Years:		Amount	Staff: Years:
Healthy Forests Reserve Program:							
Technical Assistance ....	\$123,750:	1:	\$125,000:	1:	+\$2,000:	\$127,000:	1
Financial Assistance .....	2,351,250:	--:	2,350,000:	--:	-1,000:	2,349,000:	--
Total Available or Est. ....	<u>2,475,000:</u>	<u>1:</u>	<u>2,475,000:</u>	<u>1:</u>	<u>+\$1,000(1):</u>	<u>2,476,000:</u>	<u>1</u>
Rescission.....	+25,000:	--:					
Total, Appropriation.....	<u>2,500,000:</u>	--:					

**Project Statement  
(On basis of available funds)**

Program	2006 Actual		2007 Estimated		Increase or Decrease	2008 Estimated	
	Amount	Staff: Years:	Amount	Staff: Years:		Amount	Staff: Years:
Healthy Forests Reserve Program:							
Technical Assistance ....	\$123,382:	1:	\$125,000:	1:	+\$2,000:	\$127,000:	1
Financial Assistance .....	2,351,250:	--:	2,350,000:	--:	-1,000:	2,349,000:	--
Total Direct Obligations...	<u>2,474,632:</u>	<u>1:</u>	<u>2,475,000:</u>	<u>1:</u>	<u>+1,000:</u>	<u>2,476,000:</u>	<u>1</u>
Unobligated balance brought forward.....	:	:	:	:	:	:	:
Prior Year Recoveries .....	--:	--:	--:	--:	--:	--:	--
Unobligated balance Lapsing.....	:	:	:	:	:	:	:
(+368):	(+368):	--:	--:	--:	--:	--:	--
Adjusted Appropriation....	<u>(2,475,000)</u>	--:	<u>(2,475,000):</u>	--:	<u>(+1,000):</u>	<u>(2,476,000):</u>	--
Reimbursable Oblig.....	--:	--:	--:	--:	--:	--:	--
Obligational Authority .....	<u>2,474,632:</u>	<u>1:</u>	<u>2,475,000:</u>	<u>1:</u>	<u>+1,000:</u>	<u>2,476,000:</u>	<u>1</u>

**Justification of Increases and Decreases**

(1) A net increase of \$1,000 for the Healthy Forests Reserve Program (\$2,475,000 available in 2007):

(a) An increase of \$5,000 to fund pay costs of which \$2,000 is for 2008 and \$3,000 is for 2007 pay costs.

The increase for pay will enable NRCS to maintain the current level of effort to restore and enhance forest ecosystems.

(b) A decrease of \$4,000 for Healthy Forests Reserve Program activities.

This decrease will not affect the Agency's efforts to restore, enhance and protect forest ecosystems.

**Geographic Breakdown of Obligations and Staff Years  
2006 Actual and Estimated 2007 and 2008**

	2006		2007		2008	
	Amount	Staff Years	Amount	Staff Years	Amount	Staff Years
Arkansas.....	\$963,731	1	\$963,874	1	\$964,264	1
Maine.....	498,893	--	498,967	--	499,169	--
Mississippi.....	977,980	--	978,503	--	978,520	--
National Hdqtr.....	34,028	--	33,656	--	34,047	--
Total Obligations/Est.....	<u>2,474,632</u>	<u>1</u>	<u>2,475,000</u>	<u>1</u>	<u>2,476,000</u>	<u>1</u>

NATURAL RESOURCES CONSERVATION SERVICE  
Healthy Forests Reserve Program

**Classification By Objects**  
**2006 Actual and Estimated 2007 and 2008**

Personnel Compensation:	<u>2006</u>	<u>2007</u>	<u>2008</u>
Washington, D.C. ....	\$11,506	\$12,000	\$12,000
Field.....	<u>55,494</u>	<u>56,000</u>	<u>58,000</u>
11 Total personnel compensation .....	67,000	68,000	70,000
12 Personnel benefits .....	<u>19,000</u>	<u>19,000</u>	<u>19,000</u>
Total pers. comp. & benefits.....	<u>86,000</u>	<u>87,000</u>	<u>89,000</u>
 Other Objects:			
21 Travel.....	3,000	3,000	3,000
23.2 Rental payments to others .....	2,000	2,000	2,000
23.3 Communications, utilities, and miscellaneous charges.....	2,000	2,000	2,000
25.2 Other services .....	20,632	20,000	19,000
31 Equipment.....	10,000	10,000	10,000
32 Land and structures .....	1,881,000	1,881,000	1,881,000
41 Grants.....	<u>470,000</u>	<u>470,000</u>	<u>470,000</u>
Total other objects.....	<u>2,388,632</u>	<u>2,388,000</u>	<u>2,387,000</u>
Total, direct obligations.....	<u>2,474,632</u>	<u>2,475,000</u>	<u>2,476,000</u>

NATURAL RESOURCES CONSERVATION SERVICE  
HEALTHY FORESTS RESERVE PROGRAM

STATUS OF PROGRAM

**Current Activities**

**Background.** Title V of the Healthy Forests Restoration Act of 2003 (Public Law 108-148) authorizes the establishment of the Healthy Forests Reserve Program (HFRP). The purpose of this program is to assist landowners in restoring, enhancing and protecting forest ecosystems to 1) promote the recovery of threatened and endangered species, 2) improve biodiversity, and 3) enhance carbon sequestration. HFRP supports the NRCS Mission Goal of Healthy Plant and Animal Communities.

The Chief of NRCS provides national leadership for the implementation of this voluntary program. At the state level, the NRCS State Conservationist determines how best to deliver HFRP and implement national policies in an efficient manner based on the national priorities identified in each sign-up announcement.

**Enrollment Options.** There are three HFRP enrollment options:

- 10-year cost share agreement for which the landowner may receive 50 percent of the cost of the approved conservation practices;
- 30-year easement for which the landowner may receive 75 percent of the easement value of the enrolled land plus 75 percent of the cost of the approved conservation practices; or
- An easement of not more than 99 years for which landowners may receive 100 percent of the easement value of the enrolled land plus 100 percent of the average cost of the approved conservation practices.

**Eligibility and Restoration Plans.** Only privately held land is eligible for enrollment into HFRP. Additional eligibility requires that the private land will restore, enhance, or measurably increase the likelihood of recovery of a threatened or endangered species or candidates for the Federal or State threatened or endangered species list, and must improve biological diversity or increase carbon sequestration. Land enrolled in the HFRP must have a restoration plan that includes practices necessary to restore and enhance habitat for species listed as threatened or endangered or species that are candidates for the threatened or endangered species list. Technical assistance will be provided by USDA to assist owners in complying with the terms of restoration plans under the HFRP.

Landowner protections similar to "Safe Harbor" will be made available to landowners enrolled in the HFRP who agree, for a specified period, to protect, restore, or enhance their land for threatened or endangered species habitat. In exchange, they avoid future regulatory restrictions on the use of that land protected under the Endangered Species Act.

An interim final rule for the HFRP with a request for public comments was published in the Federal Register on May 17, 2006. All comments received during the 90-day public comment period will be considered in developing a final rule.

**Technical Assistance.** The NRCS, in coordination with the U.S. Fish and Wildlife Service, develops a healthy forests management conservation plan with the landowner for the acres determined eligible for HFRP. The healthy forests conservation plan integrates compatible silvicultural practices and habitat considerations to protect, restore and enhance forest ecosystems for the recovery of threatened and endangered species and candidate species. NRCS continues to provide assistance to the participant after the project is enrolled. This assistance may be in the form of review of restoration measures, guidance on management activities, and basic biological advice to achieve optimum results, considering all forestland resources.

**Selected Examples of Recent Progress**

**Eleven Applications Approved in Three State Pilot Project.** In FY 2006, NRCS received \$2.475 million under HFRP and implemented pilot projects in Arkansas, Maine, and Mississippi. Eleven landowners were approved for funding under 30- and 99-year easements and 10-year restoration agreements. The approved applications covered over 495,600 acres and represent \$2.3 million in financial obligations. During the signup, the three states accepted 71 applications covering about 510,800 acres at an approximate value of \$13.8 million.

Applications were prioritized according to ranking criteria that promote the recovery of habitats for the endangered red-cockaded woodpecker in the Lower Ouachita River Flatwood regions of Arkansas, the Canada Lynx in the northern boreal forests of Maine, and the gopher tortoise and black pine snake in the longleaf pine ecosystem along the gulf coast of Mississippi.

<b>Summary</b>	<b>FY 2006</b>
Total Applications Processed	71
Total Applications Approved	11
Total Acres Enrolled	495,652
Total Obligations	\$2,343,019

<b>Restoration Activity</b>	<b>FY 2006</b>
Restoration Agreements Approved	3
Restoration Agreement Acres	493,776
Total Funds Obligated for Restoration Agreements	\$457,394

<b>Easements Activity</b>	<b>FY 2006</b>
Easement Projects Enrolled	8
Easement Acres Enrolled	1,876
Total Fund Obligated for Easement Projects	\$1,885,625



NATURAL RESOURCES CONSERVATION SERVICE  
Farm Security and Rural Investment Programs

Farm Security and Rural Investment Act of 2002, for 2007 .....	\$1,791,509,933
Budget Estimate, 2008 .....	<u>1,986,212,000</u>
Change in Estimate .....	<u>+194,702,067</u>

Conservation programs included in this account are listed in the project statement below. The Farm Security and Rural Investment Act of 2002, (P.L. 107-171) program funding authorization will continue from the Commodity Credit Corporation.

**Project Statement**  
(On basis of authorized level)

Project	2006 Actual		2007 Estimated		Increase or Decrease	2008 Estimated	
	Amount	: Staff: : Years:	Amount	: Staff: : Years:		Amount	: Staff : Years
Wetlands Reserve Program..	\$191,033,676:	198:	\$263,590,000:	203:	+\$191,410,000:	\$455,000,000:	326
Environmental Quality .....	:	:	:	:	:	:	:
Incentives Program .....	992,384,319:	2,249:	1,017,000,000:	2,632:	-17,000,000:	1,000,000,000:	2,630
Ground and Surface Water...	69,784,693:	156:	51,000,000:	186:	-51,000,000:	--:	--
Klamath Basin.....	11,257,783:	28:	6,012,773:	30:	-6,012,773:	--:	--
Wildlife Habitat .....	:	:	:	:	:	:	:
Incentives Program .....	42,620,603:	91:	43,000,000:	124:	-43,000,000:	--:	--
Farm and Ranch Lands .....	:	:	:	:	:	:	:
Protection Program .....	73,481,128:	22:	50,000,000:	30:	-50,000,000:	--:	--
Conservation Security Prog..	257,220,408:	312:	259,000,000:	319:	+57,212,000:	316,212,000:	351
Grasslands Reserve Program	35,498,736:	13:	15,907,160:	26:	-15,907,160:	--:	--
Agricultural Management	:	:	:	:	:	:	:
Assistance.....	4,939,777:	10:	6,000,000:	21:	-6,000,000:	--:	--
Farm Bill Conservation	:	:	:	:	:	:	:
Activities <sup>1/</sup> .....	--:	--:	--:	--:	+157,000,000:	157,000,000:	--
Conservation Reserve .....	:	:	:	:	:	:	:
Program .....	77,710,265:	731:	80,000,000:	691:	-22,000,000:	58,000,000:	478
Total, Farm Security and .....	:	:	:	:	:	:	:
Rural Investment Program .	<u>1,755,932,388:</u>	<u>3,810:</u>	<u>1,791,509,933:</u>	<u>4,262:</u>	<u>+194,702,067:</u>	<u>1,986,212,000:</u>	<u>3,785</u>

<sup>1/</sup>Reflects a placeholder for conservation activities that were in the 2002 Farm Bill, which expired at the end of fiscal year 2007.

## Statement of Program

The Farm Security and Rural Investment Act Program (Farm Bill Program) reflects technical and financial assistance funding (except for WRP which is showing financial assistance only) provided by the Commodity Credit Corporation that is associated with implementing the authorized Farm Bill conservation programs. Financial assistance covers such activities as cost-share, monitoring, easements, appraisals, and surveys.

Program and Performance Indicators	Performance Targets		
	FY 2006 Actual	FY 2007 Target	FY 2008 Target
<b>Wetlands Reserve Program</b>			
Participants (number)	794	760	1,200
Contracts (acres per calendar year)	150,000	144,776	250,000
<b>Environmental Quality Incentives Program</b>			
Participants (number)	39,322	39,700	39,700
Contracts (acres)	20,769,632	21,000,000	21,000,000
<b>Ground and Surface Water Conservation</b>			
Participants (number)	2,039	2,019	0
Contracts (acres) (Excludes Tribal and Multi-County)	384,521	380,750	0
<b>Klamath Basin</b>			
Participants (number)	137	101	0
Contracts (acres) (Excludes Tribal and Multi-County)	22,495	16,590	0
<b>Agricultural Management Assistance</b>			
Participants (number)	276	270	0
Contracts (acres)	13,387	12,800	0
<b>Wildlife Habitat Incentives Program</b>			
Participants (number)	2,717	3,561	0
Contracts (acres)	324,954	425,878	0
<b>Farm and Ranch Lands Protection Program</b>			
Farmland protected (acres)	56,905	55,985	0
<b>Conservation Security Program <sup>1/</sup></b>			
Participants (number)	4,396	0	0
<b>Grassland Reserve Program <sup>2/</sup></b>			
Participants (number)	161	0	0
Contracts (acres)	93,487	0	0

<sup>1/</sup> Assumes no new sign-ups in 2007 and 2008.

<sup>2/</sup> FY 2007 is for Contract Modifications Only.

NATURAL RESOURCES CONSERVATION SERVICE

Farm and Security and Rural Investment Programs

Geographic Breakdown of Obligations

2006 Actual

	<u>WRP</u>	<u>CRP</u>	<u>EQIP</u>	<u>GSW</u>	<u>BASIN</u>	<u>WHIP</u>	<u>FRPP</u>	<u>CSP</u>	<u>GRP</u>	<u>AMA</u>
ALABAMA.....	\$449,895	\$648,344	\$17,571,411	\$167,474	--	\$629,749	\$1,645,209	\$2,144,881	\$515,209	--
ALASKA.....	959	22,386	5,786,288	--	--	1,120,580	53,610	63,230	947,964	--
ARIZONA.....	13,028	--	25,356,666	2,146,551	--	443,904	2,910	404,112	4,287	--
ARKANSAS.....	7,288,361	777,423	21,953,114	3,148,973	--	804,020	156,001	15,349,850	51,904	--
CALIFORNIA.....	14,369,946	177,117	45,233,423	12,031,574	\$5,288,901	1,133,548	2,444,050	6,888,687	61,410	--
COLORADO.....	4,126,878	1,019,336	36,341,960	5,133,928	--	905,949	2,307,342	4,659,892	1,110,484	--
CONNECTICUT.....	101,797	5,147	5,963,041	--	--	1,867,467	3,132,506	123,129	413,853	\$22,355
DELAWARE.....	701,873	83,240	7,570,470	147,530	--	821,989	3,178,821	1,385,296	740,203	56,868
FLORIDA.....	24,441,697	192,044	23,978,989	1,053,986	--	461,870	1,695,897	465,090	236,757	--
GEORGIA.....	4,461,007	421,978	18,141,863	522,962	--	421,310	800,116	5,157,604	173,570	--
HAWAII.....	706,201	24,328	6,003,342	605,037	--	1,478,094	1,886,221	239,635	6,161	--
IDAHO.....	650,084	418,329	15,809,950	5,261,350	--	576,053	618,506	10,064,139	2,182,924	--
ILLINOIS.....	1,568,100	6,382,213	16,871,817	--	--	395,083	1,783,339	9,310,172	346,815	--
INDIANA.....	10,757,246	4,920,389	13,720,885	--	--	387,555	824	8,174,916	14,207	--
IOWA.....	12,440,436	7,343,464	25,735,019	226,716	--	894,363	8,342	17,809,296	32,918	--
KANSAS.....	985,538	2,817,011	26,485,849	4,284,230	--	956,798	500,124	11,125,262	1,778,256	--
KENTUCKY.....	4,566,726	1,924,551	13,363,710	--	--	477,055	2,452,101	1,048,635	107,190	--
LOUISIANA.....	5,289,231	949,540	18,289,406	489,521	--	434,915	1,398	515,872	743	--
MAINE.....	8,321	116,496	8,492,415	159,962	--	905,887	943,782	320,066	14,967	32,724
MARYLAND.....	247,775	893,252	7,831,063	--	--	528,432	3,010,946	7,469,709	579	557,687
MASSACHUSETTS.....	187,335	12,600	5,398,565	9,740	--	1,836,389	3,757,318	70,682	3,670	31,632
MICHIGAN.....	863,053	1,721,246	19,624,603	--	--	411,409	1,808,810	8,371,130	289,791	--
MINNESOTA.....	16,998,890	5,473,578	31,582,989	232,275	--	780,531	563,488	7,339,061	291,182	--
MISSISSIPPI.....	1,374,681	1,801,920	17,585,134	2,924,537	--	1,004,317	--	854,764	225,888	--
MISSOURI.....	2,868,971	3,880,734	24,290,002	374,773	--	1,074,870	9,593	25,285,795	1,129,495	--
MONTANA.....	540,594	599,258	28,980,081	2,415,120	--	445,537	1,567,347	9,468,123	3,700,990	--
NEBRASKA.....	3,163,864	2,821,400	26,058,426	6,384,730	--	937,866	139,238	13,818,129	402,421	--
NEVADA.....	232	--	7,373,603	669,858	--	526,877	1,529,724	587,179	7,383	51,353
NEW HAMPSHIRE.....	390,207	2,956	5,460,785	--	--	2,145,426	3,378,274	78,451	1,630,239	25,008
NEW JERSEY.....	485,116	81,675	5,394,809	--	--	1,272,733	4,120,171	236,044	13,924	39,911

	KLAMATH BASIN									
	WRP	CRP	EOIP	GSW	WHIP	FRPP	CSF	GRP	AMA	
NEW MEXICO.....	12,325	205,353	24,199,002	1,219,443	425,654	306,922	1,802,790	1,355,730	--	--
NEW YORK.....	3,717,717	654,165	14,220,083	--	427,907	2,241,157	1,874,646	18,688	1,121,314	--
N CAROLINA.....	5,471,068	1,222,694	17,769,861	294,524	352,370	1,757,452	1,986,638	647,903	--	--
N DAKOTA.....	1,936,275	4,003,350	22,745,944	115,447	638,716	415,542	7,076,654	1,766,090	--	--
OHIO.....	3,853,285	3,929,165	16,722,261	--	383,751	2,008,786	13,017,915	776,105	--	--
OKLAHOMA.....	2,674,905	870,698	29,849,615	909,238	892,455	719,552	5,586,651	2,525,070	--	--
OREGON.....	20,186,051	830,418	15,998,317	2,233,480	698,710	4,826	21,772,781	3,011	--	--
PACIFIC BASIN AREA.....	--	--	1,494,369	--	73,377	--	30,437	--	--	--
PENNSYLVANIA.....	364,335	4,753,019	13,721,610	--	269,034	2,840,061	1,989,563	89,868	1,196,183	--
PUERTO RICO.....	3,094	6,738	6,145,790	179,400	913	--	317,500	191	--	--
RHODE ISLAND.....	535,499	12,500	4,698,363	--	2,361,474	3,807,697	62,293	47,878	8,853	--
S CAROLINA.....	7,347,091	731,291	9,719,233	--	519,950	2,367,030	3,057,475	283,952	--	--
S DAKOTA.....	1,889,015	3,331,961	22,308,885	534,196	467,610	2,044	2,152,457	1,936,732	--	--
TENNESSEE.....	3,095,716	966,789	14,032,069	--	607,349	551,628	1,102,964	166,097	--	--
TEXAS.....	6,166,357	940,803	83,724,007	7,078,727	986,547	1,998,502	2,624,671	4,610,674	--	--
UTAH.....	79,464	71,822	23,961,231	1,133,627	429,092	470,562	2,501,206	1,241,007	76,178	--
VERMONT.....	120,156	161,360	5,761,226	--	1,551,140	3,138,201	125,304	4,007	1,119,534	8
VIRGINIA.....	95,923	658,662	14,687,164	--	597,441	929,969	1,504,619	1,331,507	--	52
WASHINGTON.....	6,323,132	667,114	18,037,276	2,059,991	726,739	1,190,446	5,303,583	8,431	--	--
WEST VIRGINIA.....	146,390	133,381	7,417,417	--	1,347,760	1,933,575	321,218	301,087	332,969	--
WISCONSIN.....	1,838,676	2,733,343	21,661,906	137,731	506,571	1,567,127	4,992,662	662,080	--	--
WYOMING.....	590,323	117,325	16,023,017	2,232,893	629,062	549,892	1,816,519	870,074	132,299	--
NATIONAL HDQTR.....	3,996,582	4,551,370	49,906,284	2,840,038	1,419,139	1,111,884	6,459,190	417,170	134,909	--
CENTERS.....	306,316	376,276	3,004,909	240,373	125,621	40,135	536,394	--	--	--
NTSC.....	235,939	248,713	2,324,802	184,758	101,645	32,130	375,447	--	--	--
FY 2006 Total	191,033,676	77,710,265	992,384,319	69,784,693	11,257,783	73,481,128	257,220,408	35,498,736	4,939,777	--
Obligations.....	191,033,676	77,710,265	992,384,319	69,784,693	11,257,783	73,481,128	257,220,408	35,498,736	4,939,777	--
FY 2007 Total	263,590,000	80,000,000	1,017,000,000	51,000,000	6,012,773	43,000,000	50,000,000	15,907,160	6,000,000	--
Program Level.....	263,590,000	80,000,000	1,017,000,000	51,000,000	6,012,773	43,000,000	50,000,000	15,907,160	6,000,000	--
FY 2008 Total	455,000,000	58,000,000	1,000,000,000	0	0	0	316,212,000	0	0	--
Program Level.....	455,000,000	58,000,000	1,000,000,000	0	0	0	316,212,000	0	0	--
Farm Bill Conservation Activities for FY 2008.....			157,000,000							

**COMMODITY CREDIT CORPORATION  
WETLANDS RESERVE PROGRAM**

**STATUS OF PROGRAM**

**Current Activities**

**Background.** The Wetlands Reserve Program (WRP) was mandated by Section 1237 of the Food Security Act of 1985 (P.L. 99-198), as amended by the Food, Agriculture, Conservation and Trade Act of 1990 (P.L. 101-624), the Federal Agriculture Improvement and Reform Act of 1996 (P.L. 104-127), and the Farm Security and Rural Investment Act of 2002 (P.L. 107-171) ("2002 Farm Bill"), to assist owners in restoring and protecting wetlands. WRP is a program funded by the Commodity Credit Corporation (CCC) and administered by the Natural Resources Conservation Service (NRCS).

WRP is a voluntary program that provides technical and financial assistance to enable eligible landowners to address wetland, wildlife habitat, soil, water, and related natural resource concerns on private lands in an environmentally beneficial and cost-effective manner. WRP supports three Mission Goals in the NRCS Strategic Plan: Clean and Abundant Water, Healthy Plant and Animal Communities, and Clean Air. The program achieves solutions to local community issues related to farms, ranches, rural lands and other areas by establishing easements and long-term agreements on eligible farmlands. This unique program offers landowners an opportunity to establish, at minimal cost, long-term conservation and wildlife habitat enhancement practices and protection.

**Program Goal.** The goal of WRP is to achieve the greatest wetland functions and values, along with optimum wildlife habitat on every acre enrolled in the program. In WRP, at least 70 percent of the wetland and upland areas will be restored to the original natural condition to the extent practicable; the remaining 30 percent of the project area may be restored to other than natural conditions. For example, instead of restoring a bottomland hardwood site to all trees, a portion of the site could be restored to an emergent marsh condition if the landowner or NRCS wanted to create habitat for certain wildlife species. This flexibility allows NRCS to implement projects that meet landowner objectives and maximize wildlife benefits. WRP focuses on:

- Enrolling marginal lands that have a history of crop failures or low production yields;
- Restoring and protecting wetland values on degraded wetlands;
- Maximizing wildlife benefits;
- Achieving cost-effective restoration with a priority on benefits to migratory birds;
- Protecting and improving water quality; and
- Reducing the impact of flood events.

**Program Scope and Eligibility Criteria.** The program is available in all 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands of the United States, American Samoa, the Commonwealth of the Northern Mariana Island, and the Trust Territories of the Pacific Islands on all lands meeting any of the following eligibility criteria:

- Altered, cropped, and grazed wetlands along with upland buffer areas;
- Rangeland and wooded areas where hydrology is degraded but restorable;
- Eligible acres already enrolled in the Conservation Reserve Program;
- Riparian areas linking protected wetlands;
- Natural wetlands that contribute to the value of the easement restoration area; and
- Wetlands restored under a Federal or State cost-share program with an easement or deed restriction with a duration of less than 30 years.

**Program Enrollment Options.** WRP provides landowners three methods to enroll acreage:

- Permanent easements: Easement duration is in perpetuity. Landowners receive an easement payment after the easement is filed. The payment is the least of the following three values:

1. The appraised fair market value of the property before the easement is placed less the appraised fair market value of the property after the easement is placed;
2. The geographic rate cap; or
3. The landowner offer.

In addition, NRCS pays 100 percent of the eligible restoration costs.

- 30-year easements: Easement duration is 30 years. Landowners receive an easement payment after the easement is filed that is the equivalent of 75 percent of the value for a permanent easement and up to 75 percent of the eligible restoration costs.
- Restoration cost-share agreements: Restoration cost-share agreements are made available to participating landowners as an alternative mechanism to restore wetlands, without requiring an applicant to sell an easement. Agreements are generally for a 10-year period, although longer agreement periods may be required for unique projects that are funded at a higher level. There is no easement payment; however, NRCS pays up to 75 percent of the eligible restoration costs.

For both permanent and 30-year easements, WRP pays for all the overhead costs associated with recording the easement in the local land records office including recording fees, charges for abstracts, surveys, appraisal fees, and title insurance associated with acquiring an easement. These costs are authorized for payment under Section 303 of the Uniform Relocation Assistance and Land Acquisition Policies Act of 1970.

**Wetland Reserve Enhancement Program (WREP).** NRCS leverages WRP with contributions from other Federal agencies and private organizations. These other agencies and organizations provide additional assistance for easement payments and restoration costs through WREP. NRCS supports competitive processes that direct funding to projects that achieve maximum environmental benefits while remaining cost-effective. WREP is an opportunity for those interested in wetland restoration and protection to compete for funding for partnership efforts determined mutually desirable by the NRCS State Conservationist and the potential partner.

For FY 2006, NRCS made \$10 million available for partnership proposals meeting WREP funding criteria for six new proposals in Arkansas, Colorado, Missouri, Minnesota, Nebraska and Ohio. The funding criteria for WREP proposals included:

- Addressing wetland restoration and enhancement efforts on easements enrolled in prior years, and
- Partners contributing significantly to WRP technical assistance costs and assisting with managing easement projects.

The projects in Colorado, Ohio, and Missouri will result in restoration, enhancement and protection of over 9,000 acres of wetland habitat and adjacent upland areas. The Colorado project provides over 1,300 acres of habitat protection for the endangered Southwest Willow Flycatcher. In addition, the U.S. Fish and Wildlife Service (FWS) agreed to provide annual monitoring and management of the easement for the next 30 years, saving NRCS over \$86,000 of technical assistance funds.

**Technical Assistance.** With input from the State wildlife agencies and the U.S. Fish and Wildlife Service (FWS), NRCS develops a preliminary site plan for offered acres initially determined eligible. The plan outlines the wetlands and any adjacent lands that would benefit from restoration in this program. Once the participant accepts an offer, NRCS assists in establishing the required practices for the easement area.

NRCS continues to provide assistance to the landowner after the initial completion of restoration activities. The assistance may be in the form of review of restoration measures, clarification of technical and administrative aspects of easement and agreement management needs, and basic biological and engineering advice on how to achieve optimum results for wetland dependent wildlife.

**FY 2006 Contacts and Acres Enrolled.**

<b>Type of Project</b>	<b>Contracts Enrolled</b>	<b>Acres Enrolled</b>
Restoration Cost-Share Agreements	93	12,322
30-Year Easements	94	9,405
Permanent Easements	696	128,273
<b>Total</b>	<b>883</b>	<b>150,000</b>

**WRP Acreage.** NRCS successfully completed restoration of 181,979 acres of wetlands in FY 2006. The average project size for FY 2006 was 170 acres compared to 161 acres in FY 2005. Acreage offered for participation in the WRP varies in size across the country. Acres are the specific controlling factor for WRP. Funding needs are determined by projecting the number of acres by program option (i.e. permanent easements, 30-year easements, cost-share agreements) and the geographic location of the acres to be acquired.

**Landowner interest in enrollment types.**

	<b>Cost-Share</b>	<b>30-Year</b>	<b>Permanent</b>
Offered Applications	123	370	2,906
Funded Applications	93	94	696

**Cumulative Enrollment Data (including FY 2006 and prior years).**

Acres enrolled	1,892,076
Acres of easements perfected	1,484,264
Acres with contracted cost-share agreements	158,499
Number of projects	9,973
Number of easement projects	8,872
Number of cost-share agreement projects	1,101

The type of wetlands restored varies from floodplain forest, to prairie potholes, to coastal marshes. Floodplain forest and associated sloughs and small emergent marsh wetlands account for approximately 65 percent of the program's restoration activity. A majority of the enrolled floodplain acres offered into the program occur in areas subject to frequent flooding that were originally drained or cleared for agricultural production.

NRCS continues to improve restoration techniques and knowledge. For example, over 65 percent of all restoration involved hydrology restoration, with or without a vegetative component. Of the acres involving a vegetative component, improved techniques such as natural regeneration were used over 41 percent of the time. This allows for the most natural wetland community possible, providing the greatest benefit to associated wetland dependent species and resulted in NRCS utilizing the most cost effective techniques for complete restoration.

**WRP Partnership Activities.** In FY 2006, NRCS continued to expand partnership efforts with conservation entities. Ducks Unlimited, numerous State Wildlife Agencies, the FWS, California Waterfowl Association, The Nature Conservancy, Wisconsin Waterfowl Association, and the Mississippi Fish and Wildlife Foundation supplemented NRCS capacity with additional restoration expertise and implementation capability. Other groups contributing technical expertise to the delivery of WRP include the National Association of Conservation Districts, State associations of conservation districts, U.S. Forest Service, local conservation districts and technical service providers.

**Selected Examples of Recent Progress**

**South Dakota Enters Into First Tribal WRP Easement.** In FY 2006, South Dakota entered into the first WRP easement with an Indian tribe. The Flandreau Santee Sioux Tribe in eastern South Dakota enrolled 75 acres in two parcels in to the program. The easement is a riparian link between protected wetlands and is on tribal trust land on the Big Sioux River.

**16 Bids Accepted in First WRP Reverse Auction.** NRCS implemented the first reverse auction as an alternative enrollment process for landowners interested in participating in WRP. The process was offered in California, Colorado, Delaware, Georgia, Idaho, Kentucky, and Missouri. In this process a landowner offers to sell an easement for a set price, knowing what the geographic cap (maximum easement payment) NRCS will offer. After all bids are ranked, landowners have the opportunity to submit a second bid to improve their position on the funding list. The second bids averaged 22 percent lower than the initial bids. NRCS enrolled 16 new easements on over 3,500 acres. It is estimated the process saved NRCS over \$817,000 in acquisition, restoration, and administrative costs over the regular enrollment process. The project's greatest success was in Georgia where eight applicants enrolled 2,135 acres.

**PART Assessment.** During FY 2005, a Program Assessment Rating Tool (PART) rated WRP "Adequate." The assessment found that NRCS targets WRP financial resources to maximize performance measured through factors such as migratory bird corridors and the rate of wetland loss, state-level efficiency (average cost per acre and average time to complete restoration projects), and landowner interest in the program (number and dollar value of unfunded applications). WRP differentiates itself from other Federal programs by offering permanent wetland protection on privately owned lands. The assessment concluded that while the program is effective in strategic planning and program management, shortfalls exist with performance measurement and accountability. In response to the findings, NRCS has:

- Adopted efficiency measures that encourage shorter easement closing and restoration completion periods,
- Convened a workgroup to streamline technical assistance delivery and other areas of program administration,
- Collected and analyzed cost and performance data to improve program management, and
- Contracted with an external, independent party to evaluate WRP's allocation formula.



**COMMODITY CREDIT CORPORATION  
ENVIRONMENTAL QUALITY INCENTIVES PROGRAM**

**STATUS OF PROGRAM**

**Current Activities**

**Background.** Section 2301 of the Farm Security and Rural Investment Act of 2002 (the 2002 Act) (P. L. 107-171, May 13, 2002) 16 U.S.C. 3839aa re-authorized and amended the Environmental Quality Incentives Program (EQIP) created by the Food Security Act of 1985 (the 1985 Act) as amended by the Federal Agriculture Improvement and Reform Act of 1996 (the 1996 Act) (P. L. 104-127, April 4, 1996) (16 U.S.C. 3839aa).

The 1996 Act combined into a single program the functions of the Agricultural Conservation Program (ACP), the Great Plains Conservation Program (GPCP), the Water Quality Incentives Program (WQIP), and the Colorado River Basin Salinity Control Program (CRBSCP). NRCS implements EQIP and the associated financial reporting. The Commodity Credit Corporation (CCC) funds EQIP.

**Program Operation.** EQIP provides technical and financial assistance to eligible farmers and ranchers to address soil, water, air, and related natural resource concerns on their lands in an environmentally beneficial and cost-effective manner. Overall, the program addresses and solves local community conservation issues related to farms, ranches, and rural lands. This is done through landowners and landusers who implement structural and land management practices on eligible lands:

- **Structural and vegetative practices** primarily involve the establishment, construction, or installation of a site-specific measure to conserve, protect from degradation, or improve soil, water, air, or related natural resources in the most cost-effective manner. Examples of structural practices include animal waste management facilities, terraces, grassed waterways, tailwater pits, livestock water developments, filter strips, critical area planting, permanent wildlife habitat development, tree planting, range seeding, and pasture planting.
- **Land management practices** are primarily site-specific management techniques and methods to conserve, protect from degradation, or improve soil, water, or related natural resources in the most cost-effective manner. Land management practices include nutrient management, manure management, integrated pest or crop management, irrigation water management, residue management, stripcropping, contour farming, grazing management, and wildlife habitat management.

**Program Objective.** NRCS is charged with carrying out EQIP in a manner that optimizes environmental benefits and provides:

- Flexible technical and financial assistance to farmers and ranchers that face the most serious threats to soil, water, air, and related natural resources;
- Assistance to farmers and ranchers in complying with Federal, State, and local environmental regulatory requirements;
- Assistance to farmers and ranchers in making beneficial, cost-effective changes to cropping systems, grazing management, manure, nutrient, pest, or irrigation management, land uses, or other measures needed to conserve and improve soil, water, air, and related natural resources; and
- For the consolidation and simplification of conservation planning and implementation to reduce the administration burden on producers.

**Land and Participant Eligibility Requirements.** Lands enrolled in EQIP must be privately owned. Eligible lands may include agricultural land (i.e., cropland, rangeland, pasture, private non-industrial forest land and other land on which crops or livestock are produced), including agricultural land that poses a serious threat to soil, water, air, or related resources by reason of soil type, terrain, climatic conditions, soil topography, flooding, saline characteristics, or other factors or natural hazards. Publicly owned land is eligible when the land is under private control for the contract period, is included in the participant's operating unit, and when the participant has written authorization from the government landowner to apply

conservation practices. Installation of conservation practices and systems must contribute to an improvement in the identified natural resource concern.

Participation is voluntary. In order to participate, both the land and the person(s) must be eligible. Eligibility requires that applicants must:

- Comply with the highly erodible land and wetland provisions of the Food Security Act of 1985;
- Have control of the land for the life of the proposed contract period; and
- Have an interest in the farming operation.

**National Priorities.** The 2002 Farm Bill requires that at least 60 percent of the funds for EQIP be targeted to livestock production conservation practices or systems. Livestock production includes both confined and grazed livestock. After an extensive public-input effort, NRCS established the following national priorities:

- Reduction of nonpoint source pollution nutrients, sediment, pesticides, or excess salinity in impaired watersheds consistent with Total Maximum Daily Loads as well as the reduction of groundwater contamination and reduction of point sources such as contamination from confined animal feeding operations;
- Conservation of (the quantity of) ground and surface water resources;
- Reduction of emissions particulate matter, nitrogen oxides (NO<sub>x</sub>), volatile organic compounds, and ozone precursors and depleters that contribute to air quality impairment violations of National Ambient Air Quality Standards;
- Reduction in soil erosion and sedimentation from unacceptable levels on agricultural land; and
- Promotion of at-risk species habitat conservation.

**Financial Assistance.**

- **Cost-Share Payments:** Under EQIP, the Secretary pays eligible program participants an amount not to exceed 75 percent of the cost to implement one or more structural, vegetative, or land management practices. Limited resource farmers and beginning farmers are eligible to receive up to 90 percent cost share.
- **Incentive Payments:** The Secretary determines an amount and rate for incentive payments paid to eligible program participants to implement one or more land management practices. For example, incentive payments are available for developing a comprehensive nutrient management plan which normally requires one or more land management practices.
- **Limitations on Payments:** Total cost-share and incentive payments are limited to \$450,000 per individual or entity during any six-year period, regardless of the number of farms or contracts. Beginning in FY 2003, no individual/entity may receive EQIP payments in any crop year in which the individual/entity's average adjusted gross income for the preceding three years exceeds \$2.5 million; unless 75 percent of that income is from farming, ranching, or forestry interests.

**Conservation Plan.** With NRCS or approved technical service providers' (TSPs) assistance, a participant develops an EQIP plan for the offered acres initially determined eligible. The plan specifies the method in which the planned conservation practices and systems on the enrolled acres will be implemented, operated, and maintained. This plan is the basis for the EQIP contract.

**EQIP Contract and Contract Modifications.** The CCC provides funding for cost-share and/or incentive payments to apply needed and approved conservation practices and systems and land use adjustments within a time schedule specified by the conservation plan. EQIP contracts may be modified to increase funds provided the increased cost is the result of a valid contract modification within the original contract scope and intent.

One example would be the adoption of a State law requiring a liner in a waste storage facility after the EQIP contract and cost estimate was prepared. The original intent was to install a waste storage facility and the facility must meet all Federal, State, and local regulations in order for NRCS to approve its construction. The contract would need to be modified to meet the new State regulation in order to install the originally contracted waste storage facility. All modifications are reviewed and approved according to permissions designated by the State Conservationist.

**Technical Assistance and Partnerships.** Producers receive technical assistance from NRCS or approved TSPs to develop the conservation plan and establish required practices for lands accepted into EQIP. EQIP complements many State and local programs in addressing specific local conservation and natural resource issues.

Partnership efforts have been forged with Federal, State, and local entities, including the National Association of Conservation Districts, State Associations of Conservation Districts, and local conservation districts in efforts to deliver a program beneficial to program participants and the environment. NRCS cooperates with Federal, State, and local partners to address local and national conservation issues. Through interactive communication between the local community, local interest groups, and local and Federal agencies, the partnership provides the entities with information and resources needed to address local priorities and implement State and national programs, such as EQIP.

EQIP complements many State and local governments' cost-share programs (i.e., Missouri Soil and Water Conservation Program, the Maryland State Conservation Cost-Share Program, the Delaware Water Pollution Fund), and many local programs administered through conservation districts (i.e., Clean Water Grants in Massachusetts, and the Pennsylvania Nutrient Management (Act 6) Grant Program).

**Selected Examples of Recent Progress.** FY 2006 EQIP funding was \$1.013 billion. An estimated 20.1 million acres will be treated through EQIP contracts funded in FY 2006.

#### Fiscal Year 2006 EQIP Program Demands<sup>1</sup>

State Name	Total Applications	Contracts	Unfunded Applications	Applications Funded	Contract Average	Unfunded Applications
Alabama	2,875	1,162	1,188	40.4%	\$12,011	\$14,269,317
Alaska	106	52	36	49.1%	\$82,721	\$2,977,960
Arizona	395	255	69	64.6%	\$86,064	\$5,938,410
Arkansas	2,906	1,077	1,039	37.1%	\$18,423	\$19,141,871
California	2,525	1,275	938	50.5%	\$37,996	\$35,640,426
Colorado	2,175	1,218	449	56.0%	\$25,830	\$11,597,495
Connecticut	91	65	4	71.4%	\$63,867	\$255,469
Delaware	404	236	73	58.4%	\$26,931	\$1,965,968
Florida	1,281	772	220	60.3%	\$25,107	\$5,523,573
Georgia	2,870	1,075	1,343	37.5%	\$13,709	\$18,410,784
Hawaii	142	119	11	83.8%	\$36,338	\$399,717
Idaho	989	429	354	43.4%	\$36,322	\$12,858,158
Illinois	1,248	437	704	35.0%	\$30,760	\$21,654,822
Indiana	1,062	619	193	58.3%	\$18,064	\$3,486,406
Iowa	3,538	1,563	1,693	44.2%	\$13,442	\$22,756,561
Kansas	3,331	1,666	1,067	50.0%	\$14,345	\$15,306,072
Kentucky	2,414	1,201	486	49.8%	\$8,736	\$4,245,749
Louisiana	2,109	1,005	496	47.7%	\$14,682	\$7,282,456
Maine	914	289	589	31.6%	\$22,885	\$13,479,177
Maryland	1,153	907	104	78.7%	\$6,510	\$677,088
Massachusetts	250	113	94	45.2%	\$34,162	\$3,211,199

State Name	Total Applications	Contracts	Unfunded Applications	Applications Funded	Contract Average	Unfunded Applications
Michigan	562	304	231	54.1%	\$50,226	\$11,602,160
Minnesota	2,299	1,483	567	64.5%	\$17,438	\$9,887,624
Mississippi	4,348	2,440	1,040	56.1%	\$6,529	\$6,790,191
Missouri	4,936	1,042	3,583	21.1%	\$19,237	\$68,926,350
Montana	1,985	844	489	42.5%	\$29,137	\$14,248,081
Nebraska	4,490	1,528	1,915	34.0%	\$16,940	\$32,440,981
Nevada	153	82	38	53.6%	\$74,505	\$2,831,199
New Hampshire	306	134	153	43.8%	\$30,447	\$4,658,423
New Jersey	210	85	1	40.5%	\$44,176	\$44,176
New Mexico	886	521	48	58.8%	\$37,914	\$1,819,891
New York	667	297	305	44.5%	\$36,623	\$11,170,152
North Carolina	1,913	812	716	42.4%	\$18,020	\$12,902,363
North Dakota	1,302	738	310	56.7%	\$24,529	\$7,604,012
Ohio	2,864	1,378	1,200	48.1%	\$9,190	\$11,027,748
Oklahoma	4,627	2,015	1,590	43.5%	\$12,440	\$19,779,457
Oregon	1,224	548	461	44.8%	\$33,647	\$15,511,101
Pennsylvania	1,003	259	561	25.8%	\$39,780	\$22,316,748
Rhode Island	107	55	18	51.4%	\$60,241	\$1,084,342
South Carolina	974	549	296	56.4%	\$13,309	\$3,939,366
South Dakota	812	442	252	54.4%	\$41,245	\$10,393,836
Tennessee	3,014	1,048	1,235	34.8%	\$10,439	\$12,891,819
Texas	11,841	5,368	3,853	45.3%	\$13,489	\$51,974,889
Utah	1,321	457	507	34.6%	\$41,610	\$21,096,103
Vermont	212	52	126	24.5%	\$79,225	\$9,982,319
Virginia	793	436	244	55.0%	\$27,036	\$6,596,801
Washington	1,242	478	400	38.5%	\$33,398	\$13,359,168
West Virginia	1,140	247	772	21.7%	\$22,347	\$17,251,537
Wisconsin	1,548	1,173	155	75.8%	\$14,818	\$2,296,754
Wyoming	925	510	319	55.1%	\$28,571	\$9,114,111
Pacific Basin Area	74	43	5	58.1%	\$28,887	\$144,437
Caribbean Area	410	287	93	70.0%	\$16,550	\$1,539,173
Grand Total <sup>2</sup>	90,966	41,190	32,633	45.3%	\$15,448	\$636,303,990

<sup>1</sup> Source: Protracts as of 10/07/2006. Unfunded applications include pre-approved, deferred, eligible, pending, and disapproved.

<sup>2</sup> Grand Total contract average is based on national totals listed.

#### Significant Accomplishments in EQIP Funded Programs

- **Conservation Innovation Grants.** Conservation Innovation Grants (CIG) is a voluntary program intended to stimulate the development and adoption of innovative conservation approaches and technologies while leveraging Federal investment in environmental enhancement and protection, in conjunction with agricultural production. CIG was authorized under EQIP in the 2002 Farm Bill. Under CIG, competitive grants are awarded to eligible entities, including State and local agencies, non-governmental organizations, Tribes, or individuals.

CIG enables NRCS to work with other public and private entities to accelerate technology transfer and adoption of promising technologies and approaches to address some of the Nation's most pressing natural resource concerns. CIG will benefit agricultural producers by providing more options for environmental enhancement and compliance with Federal, State, and local regulations.

In FY 2006, CIG was implemented with three components: National, Chesapeake Bay Watershed, and State. The grants will stimulate the development and adoption of innovative technologies and approaches through pilot projects and conservation field trials. CIG awarded projects address a broad range of natural resource concerns, including nutrient management, water conservation, air quality, and grazing land and forest health.

The components were awarded as follows:

- National: Over \$16 million awarded to 57 recipients in 38 States.
  - Chesapeake Bay Watershed: Nearly \$3.8 million awarded to eight recipients in five States.
  - State: Nearly \$5 million awarded to 96 recipients in 20 States, the Caribbean, and the Pacific Basin.
- Ground and Surface Water Conservation (GSWC). Thirty-two states located in the High Plains Aquifer, or areas severely impacted by drought (according to the USDA Drought Monitor), or in areas with extensive agricultural water needs were targeted for achieving a net savings in water consumption on agricultural operations. In FY 2006, producers entered into 2,023 GSWC contracts on nearly 382,600 acres to improve irrigation and water use efficiency on currently irrigated cropland.
  - Klamath River Basin. The Klamath River Basin Watershed was targeted to achieve improved water conservation measures on agricultural operations. California and Oregon each received approximately \$4 million for the Klamath River Basin Watershed in FY 2006. Conservation practices were applied on over 109,400 acres and irrigation water management applied on 62,100 acres since the program's inception. Irrigation water management plans are part of the conservation systems planned on nearly 180,300 acres to reduce agriculture's demand for water, improve hydrologic conditions, and restore habitat and water quality for fish and wildlife.
  - Colorado River Basin Salinity Control Program (CRBSCP). The functions of the CRBSCP continue under EQIP policy guidance and funding. There are seven active salinity control projects receiving EQIP assistance: four in Colorado, two in Utah, and one in Wyoming. The goal of these projects is to improve water quality by reducing excessive salt loading in the Colorado River. Through FY 2006, EQIP salinity control activities reduced approximately 459,000 tons of salt loading annually to the Colorado River, which is approximately 64 percent of the USDA goal of 716,000 tons annually to be achieved by the year 2020. Salt loading is caused by agricultural operations through surface runoff of irrigation water, deep percolation, and seepage of irrigation water.

#### **Other Significant Accomplishments**

- Beginning, Small, and Limited Resource Farmers and Ranchers.
  - NRCS funded a \$12.5 million Limited Resource Farmers Initiative to help small and limited resource farmers implement sound conservation practices on their land. Through this initiative, States and the Caribbean Area dedicated EQIP funds to reach over 1,000 historically underserved farmers and ranchers. Cost-share rates are up to 90 percent under this initiative.
  - NRCS approved 3,377 beginning farmers and ranchers for EQIP contracts totaling \$91.1 million. NRCS also approved more than 1,400 limited resource farmers and ranchers for EQIP contracts totaling \$54.2 million. NRCS approved 63 percent of the applications received from potential limited resource producers and beginning farmers and ranchers.
  - NRCS approved four Conservation Innovation Grants that will benefit small, limited resource farmers. Nearly \$1.2 million was awarded to these projects affecting eight states. NRCS awarded two Conservation Innovation Grants to Tribal entities: \$165,000 to the San Juan River Dineh in New Mexico and \$250,000 to the Cheyenne River Sioux in South Dakota.
- EQIP on American Indian and Alaska Native Lands. In FY 2006, NRCS approved 549 American Indian and Alaska Native EQIP contracts that are valued at over \$20.2 million and, when completed, will assist American Indians and Alaska Natives treat over 5.1 million acres.
- Drought Assistance. Sixteen states used either regular EQIP or EQIP- Ground and Surface Water Conservation funds to assist producers in addressing their drought related natural resources concerns.

- Market-based Approaches through the Conservation Innovation Grants. In FY 2006, NRCS awarded more than \$4.4 million to 11 projects in 28 states to implement an array of market based approaches that promote conservation. The results of these projects will be incorporated into NRCS' technology transfer tools (practice standards, field handbooks, etc.) Some examples are:
  - Carbon credit trading in 13 states (Illinois, Indiana, Iowa, Kansas, Michigan, Missouri, Nebraska, New Mexico, New York, North Dakota, Ohio, Pennsylvania, Vermont);
  - Water Quality Trading in the Potomac River watershed in West Virginia;
  - Market Incentives for tree-fruit growers in the northeast (Connecticut, Massachusetts, New Hampshire, New York, Vermont); and
  - Community conservation and sustainability through Biodiesel in Colorado and Wyoming.
- ProTracts. In FY 2006, all contracting and payment functions were carried out through a web-based contracting software program called ProTracts. The use of this contracting tool has resulted in considerable time savings in contract administration and has provided the Agency with improved information concerning the use and implementation of EQIP funds. Additionally, an application and evaluation ranking tool was developed and tested in FY 2006; this tool will be used to rank all applications in FY 2007. It will ensure consistency, reduce time in ranking applications, allow tracking of application information nationwide to monitor application selections and assist with customer understanding of the ranking process. Examples of information that can be obtained include but are not limited to the number of applications by major crop and livestock types.
- Technical Service Providers (TSP). NRCS obligated \$27.2 million in EQIP for TSPs in FY 2006. Each state was allocated funding for TSPs from their technical assistance funds to implement this effort. Many states exceed the allocated amount to involve more TSP assistance.
- Contract Completion Incentive (CCI). The CCI provides financial incentives to participants who complete all structural practices in their FY 2006 contracts within the first or second year following contract obligation. The incentives range from \$150 to \$4,000 depending on the amount of the contract and how quickly (first or second year) the contract is completed. The contract must include at least one structural practice and have a minimum financial obligation of \$5,000. The funds come from the FY 2006 EQIP financial assistance allocation already provided to the states.
- Energy Initiative. In FY 2006, NRCS provided over \$10.2 million for energy-cost relief because the cost of implementing some EQIP practices has increased dramatically in the last two years. NRCS offered a one-time opportunity to increase the amount paid for such practices in 2004 and earlier contracts by 15 percent. The funds came from a State's EQIP financial assistance cost overrun account for the year of the contract, 1997 - 2004.
- Hurricane Equitable Relief. NRCS estimates that it will pay producers nearly \$1 million to repair the EQIP-installed practices damaged by Hurricanes Katrina, Rita, and Wilma in Texas, Louisiana, Mississippi, and Florida.

#### Selected Examples of Recent Progress

**Nebraska – Groundwater Quality.** Using a local work group of natural resources district officials, and other USDA agency representatives, NRCS is focusing EQIP on the Central Platte Natural Resources District's groundwater management and high nitrate areas. In the Central Platte Natural Resources District, applications for EQIP funding are given additional weight if they include conversion from gravity irrigation to a sprinkler irrigation system and are in the district's high nitrate area.

In each EQIP contract, the farmer agrees to monitor and apply only the fertilizer levels needed by the crops. With a sprinkler system, that fertilizer application is easier to manage because nutrients can be made available at a time and amount that more accurately matches plant needs. The local district monitors this usage. Records on the 100,000 acres monitored show an annual reduction of 93,000 pounds of triazine, 2.4 million pounds of phosphate, and 5.9 million pounds of nitrate compounds leaching into area streams and groundwater. In addition, 350,000 gallons less fossil fuels and 10 million less kilowatt hours are used.

**North Dakota – Wind Erosion.** Wind erosion was a problem for a farmer in the Red Valley of North Dakota before he implemented residue management with EQIP. The practice reduced wind erosion and conserved soil moisture. According to the producer, “I did some yield trials and found a three bushel-per-acre increase in my soybean field since implementing residue management.” He has been so happy with the results of these, and other practices he has implemented during his involvement in EQIP, that he has implemented practices beyond what has been funded through EQIP.

“The program has been extremely rewarding,” he says. “Change is hard for everyone – especially farmers, but EQIP has helped me to think outside the box. It has also helped with fuel and fertilizer costs, and the added revenue I’ve earned through EQIP makes the payment on my no-till drill.”

**California – Air Quality.** This California almond grower used to burn his orchard prunings until he realized he was releasing hundreds of pounds of particulate matter into the air, contributing to an already unhealthy smog situation in California’s San Joaquin Valley. Under California’s EQIP Air Quality program, the grower was encouraged to chip his prunings. The chips can be composted, placed on a dirt road to control dust, or hauled to a biomass plant for use in generating electricity.

The EQIP contract created for the grower made a believer out of him. “I received money for three years of shredding. I spread it over five years and gave it a real hard test.” He realized that shredding his prunings not only reduces the amount of particulate matter released, but it replenishes the soil. “The program works so good I’ll continue shredding on my own after the contract expires.”

**The Catawba Indian Nation – Wildlife Habitat.** The Chief of the Catawba Indian Nation in South Carolina recently signed a six-year EQIP contract with NRCS to manage 308 acres of land received through a grant from the Fish and Wildlife Service. The EQIP contract development involved a team of players from NRCS, a private forestry consultant, the soil and water conservation district, and the Catawba Indian Nation. The plan and EQIP contract focuses on wildlife habitat and incorporates tree planting, including short leaf pines and hardwoods, native warm season grasses and shrubs, and development of food plots.

**New Jersey - Regional Composting Facility for Agricultural Waste.** A \$75,000 CIG grant in Sussex County, NJ, has potential to provide a method for dealing with an estimated 56,000 tons of manure produced each month by an estimated 83,000 horses in New Jersey. If this project is successful, New Jersey may allow similar facilities and grant oversight of equine waste to the State Department of Agriculture. EQIP funding of this project may pave the way to sensible use of a valuable resource.

**PART Assessment.** During FY 2004, a Program Assessment Rating Tool (PART) assessment found EQIP to be “Moderately Effective.” The assessment also reported that NRCS’ long-term, outcome-oriented performance measures and efficiency measures were new or still under development. In response to the findings, NRCS has:

- Refined the long-term performance measures and associated baselines and targets to more adequately display its program performance,
- Improved and refined EQIP efficiency measures to reflect dollar and time saving efficiencies, and
- Contracted with an external, independent party to evaluate EQIP’s allocation formula.

**COMMODITY CREDIT CORPORATION  
WILDLIFE HABITAT INCENTIVES PROGRAM**

**STATUS OF PROGRAM**

**Current Activities**

**Background.** Section 1240N of the Food Security Act of 1985, as amended by 2502 of the Farm Security and Rural Investment Act of 2002 (P.L. 107-171) (16 U.S.C. 3839bb-1), authorized Wildlife Habitat Incentives Program (WHIP) to improve wildlife habitat in our Nation. NRCS administers WHIP.

The purpose of the program is to develop high quality wildlife habitats that support wildlife populations of local, State, and national significance. Although the primary purpose is wildlife habitat development and enhancement, the benefits are not limited to wildlife. The practices are often compatible with and beneficial to farming and ranching enterprises. Some practices enhance farm profitability by improving grazing conditions, reducing management expenses, and by producing non-crop income from the lease of rights to harvest and observe wild game and fish. WHIP has been used to control invasive species, re-establish native vegetation, manage non-industrial forestland, stabilize streambanks, protect, restore, develop or enhance unique habitats, and remove barriers that impede migration of certain wildlife species.

WHIP is a voluntary program that provides technical and financial assistance to enable eligible participants to develop upland wildlife, wetland wildlife, threatened and endangered species, fish and other types of wildlife habitat in an environmentally beneficial and cost effective manner. WHIP supports NRCS' Strategic Plan's Mission Goal of Healthy Plants and Animals.

**National Priorities.** WHIP FY 2006 national priorities are to:

- Promote the restoration of declining or important native wildlife habitats.
- Protect, restore, develop or enhance wildlife habitat of at-risk species (candidate species, and State and Federally listed threatened and endangered species).
- Reduce the impacts of invasive species on wildlife habitats.
- Protect, restore, develop, or enhance declining or important aquatic wildlife species' habitats.

**Eligibility Criteria.** To be eligible for WHIP, the land must be privately owned land, Tribal land, or State/local government lands on a limited basis. Federal land is eligible when the primary benefit is on private lands and the project cannot meet its objectives without the Federal land.

**State WHIP Wildlife Plans Updated.** NRCS updated wildlife plans in each State to reflect new FY 2006 WHIP national priorities, the new NRCS Strategic Plan, and to ensure wildlife needs are comprehensively addressed. A key reference in the NRCS WHIP plan update was State government wildlife action plans that State wildlife agencies developed or updated in FY 2005. Together, these Federal and State plans help identify high value and important habitats and focus funding on projects to conserve and restore them.

**Program Operation.**

- **States Set Wildlife Priorities.** NRCS works at the local level and through the State Technical Committee to establish wildlife priorities. This process allows for local input as well as the coordination of wildlife priorities with other wildlife interests in the State and encourages the leveraging of other State, Federal, and private dollars to address state and local wildlife priorities. States generally select two to six priority habitat types; States have consistently included one or more upland and riparian habitats. A number of States identified wetlands, aquatic in-stream habitat, and other unique wildlife habitat such as caves and salt marshes as priorities.
- **Wildlife Habitat Plan.** NRCS and its partners provide program participants with an assessment of wildlife habitat conditions, recommendations for practices to improve these habitat conditions, and a plan that incorporates practices and strategies for maximizing habitat for target species. This wildlife habitat development plan is the basis of the agreement between NRCS and the participant.



- **WHIP Agreements.** The wildlife habitat development plan identifies the cost-share practices that will be installed and the operation and maintenance requirements for the life of the agreement. Agreements usually last from five to 10 years. WHIP provides additional cost-share to landowners who enter into 15-year or longer agreements to protect and restore high value and important plant and animal habitat.
- **Implementation Assistance.** NRCS helps program participants with technical and financial assistance to install any practice NRCS determines is primarily for the development of wildlife habitat. NRCS provides up to 75 percent of the cost of installing these wildlife habitat development practices (native grassland seeding, prescribed burns, hardwood planting, fish passage structure installation, etc).
- **Partners Play Significant Role.** In addition to providing technical assistance, partners provide financial assistance through additional cost-share dollars, supplying equipment, or installing practices for the participant. This emphasis placed on partners in WHIP has improved communication and coordination among various interests addressing wildlife concerns. The partners who play an essential part of the success of the program include public agencies, non-profit organization partners, and Technical Service Providers.

**Accomplishments.** In FY 2006, NRCS enrolled over 2,700 agreements on almost 325,000 acres. The value of the contracts exceeded \$1 million. The average agreement size is 120 acres. There were 33 contracts on over 2,600 acres of American Indian and Alaska Native Lands in FY 2006. On average, NRCS agreed to reimburse participants approximately \$11,600 for each long-term agreement. Since the program began in 1998, national enrollment includes a total of over 24,000 agreements on almost 3.7 million acres. In FY 2006, partners contributed almost \$6.7 million dollars to help WHIP participants establish wildlife habitat practices on enrolled lands. NRCS provided over \$32.5 million in financial assistance from the Commodity Credit Corporation.

**WHIP Benefits.** Of the total acreage enrolled in FY 2006, seven percent will benefit threatened and endangered species. Threatened and endangered species targeted through WHIP include, but are not limited to, the following: American-burying beetle, Neosho madtom, Topeka shiner, gray bat, kit fox, black-tailed prairie dog, bog turtle, gopher tortoise, dusky-gopher frog, Eastern-indigo snake, southern-hognose snake, black-pine snake, Louisiana-black bear, red-cockaded woodpeckers, Mississippi-sandhill crane, Florida panther, wood storks, snail kites, Florida sandhill crane, caracara, grasshopper sparrow, Snake River-Chinook salmon, Umpqua River-cutthroat trout, coho salmon, steelhead, bulltrout, Lahontan-cutthroat trout, Yuma-clapper rails, Sonoran pronghorn, Mexican voles, lesser long-nosed bats, and Ivory billed woodpecker.

Nationally, WHIP acres were distributed among the following three major habitat types and declining species:

- **Upland Wildlife Habitat.** Of the total FY 2006 acres enrolled, over 77 percent encompassed upland wildlife habitat including grasslands, shrub/scrub, and forests. Several types of early succession grasslands, such as tall grass prairies, have declined more than 98 percent according to a 1995 U.S. Fish and Wildlife Service Report. One primary focus of WHIP nationally is the restoration of these scarce areas. Wildlife dependent on native grasslands includes neo-tropical migratory birds, waterfowl, amphibians, reptiles and many mammals. Specific species that will benefit from re-establishment of grasslands in one or more states include grasshopper sparrow, bobwhite quail, swift fox, short-eared owl, Karner-blue butterfly, gopher tortoise, western-harvest mouse, and Gunnison-sage grouse.

Other upland priorities include the establishment of windbreaks, and the improvement of the edge around cropland, wildlife corridors, shrub-scrub and steppe habitats, and forests including pine barrens and long leaf pine. Wildlife species that will benefit from development of these habitats include Louisiana black bear, Eastern collared lizard, Bachman's sparrow, ovenbird, acorn woodpecker, western grey-squirrel and Greater sage grouse.

Practices installed on upland habitat include seedings and plantings, fencing, livestock management, prescribed burning, and shrub thickets with shelterbelts. Additional practices were installed for the benefit of forest land management including creation of forest openings, disking or mowing including

meander disking through woodlands, woody cover control, brush management, upland wildlife management, aspen stand regeneration, and exclusion of feral animals.

- **Wetland Wildlife Habitat.** More than 12 percent of WHIP lands benefit wetland habitat. WHIP wetland acres are not eligible for the Wetlands Reserve Program. WHIP wetland habitat includes crop fields that are flooded in the winter for waterfowl, tidal flushing areas, salt marshes, wetland hardwood hammocks, mangrove forests, and wild-rice beds. WHIP wetland habitat also includes created wetlands, freshwater marshes, and vernal pools in abandoned gravel mines.

Among the wildlife species that will benefit from development or enhancement of wetland habitat are black crowned night heron, snowy egret, canvasback duck, ibis, piping plover, short-nosed sturgeon, osprey, California-clapper rail, fairy shrimp, Santa Cruz long-toed salamander, and endangered waterbirds (Koloa duck, nerie goose, coot) in Hawaii.

- **Riparian and In-stream Aquatic Wildlife Habitat.** Riparian habitat makes up less than 5 percent of the acres enrolled in FY 2006. This category includes riparian areas along streams, rivers, lakes, sloughs and coastal areas. Over 4,000 acres of riparian herbaceous cover, shallow water management for wildlife, and over stream habitat improvement and management were installed. Not all WHIP practices are measured in acres. For instance, funds addressed over 33,968 feet of stream bank/shoreline protection.

#### **Selected Examples of Recent Progress**

**\$1 Million for Sage Grouse Habitat Conservation.** WHIP provided over \$1 million to conserve habitat for the greater sage grouse (a bird native to the Great Plains and western United States) with a two decade declining population trend. The funds went to California, Colorado, Idaho, Montana, Nevada, North Dakota, Oregon, South Dakota, Utah, Washington, and Wyoming in FY 2006.

Private land comprises 28 percent (40 million acres) of the total acreage where existing greater sage grouse populations are threatened; the remaining acreage is located on state, tribal and public lands. WHIP provides financial and technical assistance for sage grouse habitat projects that assist in the implementation of the NRCS sage grouse habitat conservation action plan and accrue the maximum benefit from partners' contributions.

**Dam Removal Helps Migrating Fish in Delaware.** The Pursel Mill Dam on the Lopatcong Creek, a tributary of the Delaware River, was breached. It opened over 10 miles of stream that had been closed for more than 150 years to migratory fish. This is one of many WHIP projects that are actively restoring rivers and their native fisheries. Creek bank stabilization and plantings of native vegetation conservation practices assist to complete stabilization of the stream system.

Aquatic species benefiting are the American eel (a migratory fish species), brown trout, brook trout (a native species), and other aquatic species. The permitting process took two years. Sixteen partners including private individuals and local, State and Federal governments joined this WHIP project.

**WHIP Helps Eradicate Zebra Mussels in Virginia.** NRCS in Virginia provided funds to the Virginia Department of Game and Inland Fisheries to eradicate a colony of zebra mussels — a non-native invasive species. The only known colony of zebra mussels is located in a quarry in Northern Virginia. Zebra mussels have the potential to invade and devastate populations of Virginia's native mussels.

The zebra mussel infested quarry is located near two facilities that supply water to over a million people. If the mussels were to escape, treatment could cost up to \$850,000 per year for chemicals and system maintenance. Funding allowed the Department to make its first attempt ever to eradicate a species from an open water body. This procedure will ensure reproduction of Virginia's endangered mussels and protect food supplies for freshwater dwelling animals.

**Endangered Savannah Habitat Improved in Illinois.** Savannah is a rare and declining habitat in Illinois that provide critical habitat for mockingbirds, turkeys, woodpeckers, the state threatened loggerhead shrike,

and many other species. Unlike the parched, stunted corn and soybean fields across central Illinois, a native grass and wildflower parcel remains undaunted by the drought that is troubling farmers and frustrating gardeners. In fact, this WHIP-funded prairie and savannah restoration seems like an oasis in a literal row crop desert.

Native grasses, forbs, brush and trees were planted, and prescribed burning was used to control introduced annual plants as part of a WHIP contract. Vibrant purple coneflower, wispy little bluestem, and radiant golden coreopsis flaunt their colors and textures despite the harsh sun and bone dry soil.

**Washington Farmer Diversifies Landuse and Income.** A farmer in Washington has been so successful in combining agriculture and wildlife habitat on his farm that he is continually receiving unsolicited offers to purchase his farm. Conservation practices installed are fencing, conservation cover, tree and shrub plantings, livestock exclusion areas, and seeding of native grasses on rangeland, many ponds constructed, watering facilities, cross fencing, and pest management activities have provided excellent wildlife habitat improvements.

The habitat improvements resulted in a marked increase in population of the preferred pheasant, many other species of songbirds, other wildlife such as elk. The farmer agrees that these conservation practices do take some land out of production and equipment must be moved around them, but he says there is also a surplus of grain on the market, so diversifying the land use provides an alternative source of funds.

**PART Assessment.** During FY 2002, a Program Assessment Rating Tool (PART) assessment found that the WHIP was cost-effective and well-managed but that results had not been demonstrated. In response to the findings, NRCS took steps to improve the effectiveness, efficiency and accountability of the program, including refining the performance and efficiency measures and improving the accuracy of cost information. During FY 2006, a reassessment rated WHIP to be "Adequate." The assessment identified that NRCS improved its program management and made progress in meeting its annual targets and long-term performance goal of improving habitat for prioritized species. In response to the FY 2006 findings, NRCS has:

- Developed a National WHIP Plan to identify key priority species and habitats,
- Improved WHIP management by identifying national program priorities, standardized the application selection and ranking process,
- Contracted with an external, independent party to evaluate WHIP's allocation formula, and
- Emphasized performance in national guidance and in the allocation process to ensure conservation practices are installed as planned and priority species and habitats are targeted.

**COMMODITY CREDIT CORPORATION  
FARM AND RANCH LANDS PROTECTION PROGRAM**

**STATUS OF PROGRAM**

**Current Activities**

**Background.** The Farm Security and Rural Investment Act of 2002 (2002 Farm Bill) established the Farm and Ranch Lands Protection Program (FRPP) and repealed the Farmland Protection Program (FPP). The Federal Agriculture Improvement and Reform Act of 1996 established FPP as a new farmland protection program. Under the FPP, the Secretary of Agriculture, acting through the NRCS, was authorized, on behalf of the Commodity Credit Corporation (CCC), to purchase conservation easements for the purpose of protecting topsoil by limiting nonagricultural uses of the land. The FPP enables the Federal government to establish partnerships with State or local governments to share in the costs of acquiring conservation easements. The FRPP more accurately reflects the types of land the program protects. FRPP added Tribal governments and non-government organizations as eligible cooperating entities with which NRCS could share the costs of acquiring easements.

FRPP supports the NRCS Strategic Plan Mission Goal of Working Farms and Ranch Lands. Through FRPP NRCS:

- Establishes partnerships with State, Tribal, or local governments or non-governmental organizations to leverage their purchase of development rights by providing matching funds not to exceed 50 percent of the appraised fair market value;
- Acquires perpetual conservation easements on a voluntary basis on farm and ranch lands that contain prime, unique, or other productive soil or historical and archaeological resources; and
- Protects topsoil by limiting conversion to nonagricultural uses of the land.

**Program Operation**

**Partnership Eligibility.** FRPP is carried out through existing farmland protection programs of State, Tribal, or local government or non-governmental organizations. These entities include local or State agencies, counties or groups of counties, municipalities, towns or townships, soil and water conservation districts, American Indian Tribes or Tribal organizations, and eligible non-governmental organizations. They may apply for FRPP funds if they have a farmland protection program that purchases conservation easements for the purpose of protecting topsoil by limiting conversion to nonagricultural uses of land, and if they have pending offers with willing landowners. Potential participating entities must provide written evidence of:

- Participants' commitment to long-term conservation of agricultural lands through the use of legal instruments (i.e., right-to-farm laws, agricultural districts, zoning, or land use plans);
- The use of voluntary approaches to protect farmland from conversion to nonagricultural uses;
- The capability to acquire, manage, and enforce easement rights or other interests in land; and,
- The availability of cash funds to provide a minimum 25 percent of the appraised fair market value of the conservation easement or 50 percent of the conservation easement's purchase price.

**Individual Eligibility.** Individual landowners must apply to and be accepted by the eligible State, Tribe, or local government or non-governmental programs to participate in FRPP.

**Application and Selection Process.** NRCS publishes a Request for Proposals (RFP) in the Federal Register each year when funds are made available to initiate FRPP participation. Upon receipt of the proposals, each NRCS state office evaluates and ranks proposals as well as the parcels contained within the proposals. Once the proposals and their parcels are prioritized, NRCS awards funds. Cooperative agreements are signed between the selected cooperating entities and NRCS to obligate FRPP funds.

Cooperating entities process the easement acquisition, as well as hold, manage, and enforce the acquired easements. The Federal share for any easement acquisition is limited to a maximum of 50 percent of the appraised fair market value of the conservation easement. A reversionary right must be incorporated in each easement deed to protect the Federal investment. To ensure responsible land stewardship, the implementation of a conservation plan protecting highly erodible land is also required for each easement acquired in part with Federal funds. A failure to abide by the terms of the cooperative agreement or the

recorded easement deed by the cooperating entity may result in the easement rights being vested in the United States, or the United States receiving reimbursement in full for the Federal share of the easement purchase price. When easement acquisitions are completed, cooperating entities submit appropriate documentation to the NRCS State office and request reimbursement equal to the Federal share of the easement purchase price. Payment is issued at closing or on a reimbursable basis. FRPP funds are made available from the CCC.

**NRCS Technical Assistance.** NRCS provides technical assistance to landowners who develop conservation plans for those acres that have been accepted in FRPP. These activities include conservation planning, verification of entity and land eligibility, evaluating and ranking applications. NRCS reviews and monitors the cooperative agreements and easements and processes payments.

#### **Selected Examples of Recent Progress**

**1996-2006 Cumulative Summary.** From 1996-2006, a total of \$455.4 million was appropriated to FRPP. During that time, 49 States have received over \$451.6 million in financial assistance from FRPP funds, and easements purchased using FRPP funds were completed on 1,561 farms. It is estimated that 311,602 acres of prime and unique farmland have been or will be permanently protected from conversion to nonagricultural uses with these easements. Approximately 481,000 acres on 2,470 farms, with an estimated cumulative easement value of nearly \$1.3 billion, have or will have easement contracts in the near future. To date, all acquired easements and other interests proposed for acquisition are for perpetuity.

The demand for the program has exceeded available funds by approximately 200 percent. For every Federal dollar invested through FRPP, an additional \$2 has been contributed by the participating State, Tribal and local governmental entities, non-governmental organizations, and landowners. In FY 2006, Congress authorized \$73 million for FRPP. The 2002 Farm Bill authorized an additional \$97 million for the program through FY 2007.

#### **FRPP Fiscal Year 1996-2006 Cumulative Summary<sup>1</sup>**

State	Financial Assistance Cumulative Allocations	Easements Acquired		Easements Pending	
		Number	Acres	Number	Acres
Alabama	\$3,845,852	6	622	6	1,669
Alaska	\$0	0	0	0	0
Arizona	\$2,413,956	2	2,300	1	48
Arkansas	\$153,572	0	0	1	246
California	\$21,843,126	29	8,989	13	16,180
Colorado	\$18,048,480	60	25,300	16	6,235
Connecticut	\$15,887,506	43	4,811	22	1,607
Delaware	\$18,893,099	84	15,157	40	475
Florida	\$14,669,977	10	12,514	8	3,769
Georgia	\$5,937,882	5	801	12	2,155
Hawaii	\$3,915,138	0	0	3	273
Idaho	\$2,544,289	6	2,556	7	1,289
Illinois	\$8,472,123	14	2,283	7	1,059
Indiana	\$999,919	0	0	1	131
Iowa	\$2,682,311	6	1,765	17	2,065
Kansas	\$1,286,887	8	5,512	2	2,341
Kentucky	\$16,425,491	110	18,310	18	4,865
Louisiana	\$27,000	0	0	1	41
Maine	\$5,525,846	16	1,834	9	2,626
Maryland	\$29,064,491	167	21,100	78	12,062
Massachusetts	\$20,826,802	91	6,509	38	2,200
Michigan	\$16,579,439	44	6,005	28	3,134

State	Financial Assistance Cumulative Allocations	Easements Acquired		Easements Pending	
		Number	Acres	Number	Acres
Minnesota	\$4,469,505	8	805	12	1,165
Mississippi	\$0	0	0	0	0
Missouri	\$2,849,903	1	102	11	1,347
Montana	\$8,351,513	13	17,404	10	11,806
Nebraska	\$653,534	1	524	2	429
Nevada	\$3,269,820	0	0	6	4,566
New Hampshire	\$14,580,797	55	4,087	31	2,154
New Jersey	\$25,728,639	111	12,375	81	6,894
New Mexico	\$2,759,067	6	175	3	109
New York	\$17,684,050	49	10,156	41	10,074
North Carolina	\$12,944,365	38	5,554	27	4,616
North Dakota	\$1,881,605	3	226	1	68
Ohio	\$13,019,559	62	12,006	23	5,508
Oklahoma	\$4,043,466	4	517	28	2,806
Oregon	\$11,972,500	4	15,575	0	0
Pennsylvania	\$25,216,020	166	26,347	104	12,319
Rhode Island	\$13,955,279	24	1,582	18	1,031
South Carolina	\$7,484,039	21	3,099	2	762
South Dakota	\$267,900	0	0	1	374
Tennessee	\$1,940,494	1	420	2	401
Texas	\$5,950,796	4	2,484	1	292
Utah	\$4,211,997	8	2,411	2	186
Vermont	\$19,336,168	150	35,256	78	15,939
Virginia	\$6,945,120	11	2,962	12	2,537
Washington	\$10,058,087	39	3,720	29	2,226
West Virginia	\$6,799,965	29	3,079	20	2,947
Wisconsin	\$11,737,137	48	5,923	31	4,594
Wyoming	\$3,510,907	4	8,445	5	9,778
Pacific Basin	\$0	0	0	0	0
Puerto Rico	\$0	0	0	0	0
<b>Total</b>	<b>\$451,665,418</b>	<b>1,561</b>	<b>311,602</b>	<b>909</b>	<b>169,398</b>

<sup>1</sup> Easements acquired through September 30, 2006.

**Interim Final Rule Released.** NRCS released an interim final rule on July 27, 2006, that amended the rules for FRPP with a request for public comment. Comments were due September 25, 2006. The interim final rule proposed adopting Federal land acquisition standards and Department of Justice title standards to bring the program into compliance with Federal law. The interim final rule also proposed changing the definition of fair market value to match the definition in the Uniform Acquisition Standards for Federal Land Acquisition, allowing up to two-thirds of the easement area to be forested. The interim final rule described the NRCS policy on limiting the amount of impervious surface on an easement to two percent and the procedure for getting a waiver of that limitation for up to six percent impervious surface.

**Oklahoma: Fort Sill Compatible Use.** In July 2006, the 272-acre Ryder Ranch, located on the southern boundary of the Fort Sill military installation in Comanche County, Oklahoma, was signed in to a FRPP easement. This was the first conservation easement completed as part of the Army Compatible Use Buffer (ACUB) Initiative. ACUB establishes open space around military installations to prevent interference from incompatible civilian activities such as residential or commercial developments with military training activities. Developments close to an installation's boundary can interfere with training activities and other

military operations. Usually, noise created on an installation is the main concern for residential or commercial activity nearby. The conservation easement prohibits commercial or residential development of the land but allows for continued private ownership and ranching operations, thus preserving the ranch land and natural resources for future generations.

**Maine: Shaker Landscape Preserved.** The Sabbathday Lake Shaker village, forest and farm (1,700 acres and 19 historic structures) are the last viable, working U.S. community where Shakers farm, work, and worship. The land encompasses diverse wildlife habitat, walking and cross-country skiing trails, fertile agricultural soils, and productive woodlands. The village is a National Historic Landmark; its significance lies in its aggregate of buildings and their setting as well as in the extensive and varied rural landscape. Through the preservation of the land, the Shakers will continue to own and manage their property and the protection of historic buildings and culturally important landscape features – stone walls and archeological sites – will be guaranteed. Acquisition of the conservation and preservation agreements, and an endowment for the buildings and the easements, along with project expenses, will cost \$3.7 million. FRPP contributed \$505,000 toward this goal. The Trust for Public Land, Maine Preservation, Friends of the Royal River, New England Forestry Foundation, State of Maine, and NRCS worked with the Shakers to protect the historic village and land from ever being developed.

**Maryland: Agriculture Kept Viable on Eastern Shore.** Two young farmers on Maryland's Eastern Shore contacted the Eastern Shore Land Conservancy (ESLC) to identify financial assistance that would help them expand their 70 acre poultry farm. They wanted to purchase a 250-acre neighboring farm in Dorchester County. Development pressure priced the land beyond the land's cash flow from agricultural production. The ESLC used FRPP and Dorchester County agricultural land preservation funds to purchase the land preservation easement on the 250 acres. FRPP contributed 50 percent or \$182,500.

**North Carolina: Battlefield and Cherokee Burial Site.** In November of 2005, NRCS closed on the 125-acre Weeks property, a part of the Aversboro Civil War Battleground in Harnett County. The easement is held by the State of North Carolina with matching funds coming from the Civil War Preservation Fund. The property also has 91 percent prime, unique, and important farmland soils. In December of 2005, NRCS closed on the 60-acre Lambert property. This property is adjacent to the site of the Cowee Cherokee burial mound and this was in the center of one of the largest villages in the Cherokee Nation. The tribal historic preservation officer has said that the best way to preserve ancestral artifacts is to keep the land in farming.

**PART Assessment.** During FY 2002, a Program Assessment Rating Tool (PART) assessment was conducted on the FRPP. The assessment found that the program was cost-effective and well-managed but that results had not been demonstrated. In response to the findings, NRCS refined long-term performance measures, developed an efficiency measure, established baselines and ambitious targets, improved the accuracy of cost information, and improved the annual performance measures to better reflect the activities funded by the program. During FY 2005, a reassessment rated FRPP as "Adequate." The reassessment found that the program:

- Prioritized applications at the state level and selected the best projects for protecting important agricultural lands from development, and
- Developed improved long-term and annual performance measures that should better assess how well the program is delivering results.

To improve the performance of FRPP, NRCS has:

- Completed an external customer survey to ascertain if FRPP is accomplishing program objectives and taken actions to implement program improvements based on the survey report, as well as developed plans to conduct a future evaluation to assess the efficacy of the program,
- Improved overall program efficiency by monitoring the rate of easement closures, the timely use of funds, and the acres of farm and ranch lands protected per dollar spent; allocating incentive bonuses to States with efficient and effective performance levels, and
- Contracted with an external, independent party to evaluate FRPP's allocation formula.

**COMMODITY CREDIT CORPORATION  
GRASSLAND RESERVE PROGRAM**

**STATUS OF PROGRAM**

**Current Activities**

**Background.** The Grassland Reserve Program (GRP) was authorized by Sections 1238 N through Q of the Food Security Act of 1985 (P.L. 99-198) as amended by Section 2401 of the Farm Security and Rural Investment Act of 2002 (P.L. 107-171). A voluntary program, GRP helps landowners and operators restore and protect rangeland, pastureland, and other grassland while maintaining the land's suitability for grazing.

As required by statute, GRP's emphasis is on supporting grazing operations, plant and animal biodiversity, and grassland and land containing shrubs or forbs under the greatest threat of conversion. Land is eligible if it is privately owned or tribal land, and it is 1) grassland that contains forbs or shrubs (including rangeland and pastureland) or 2) located in an area that has been historically dominated by grassland, forbs, or shrubs. The land must also have potential to provide habitat for animal or plant populations of significant ecological value if the land is retained in the current use or restored to a natural condition. Incidental lands may be included to allow for the efficient administration of an agreement or easement.

GRP has enrollments in all 50 states and Puerto Rico. GRP contributes to two NRCS strategic Mission Goals: Healthy Plant and Animal Communities, and Working Farm and Ranch Lands. GRP participants are required to follow a conservation plan on all enrolled acres.

The program is jointly administered by the Natural Resources Conservation Service (NRCS) and the Farm Service Agency (FSA). NRCS has lead responsibility on technical issues and easement administration. FSA has lead responsibility for rental agreement administration and financial activities.

Although each agency has a specific focus related to program administration, FSA and NRCS work collaboratively on all program matters. This collaboration enables field staffs to more efficiently and effectively implement GRP. The program operates under a continuous signup process. NRCS and FSA in consultation with the State Technical Committees use State-developed ranking criteria to ensure GRP funds are used for the most valuable projects. State application selection criteria and program forms are publicly available through agency websites.

**Program Enrollment Options.** Participants have the opportunity to enroll acreage in rental agreements, or either long-term or permanent easements. Under an easement option or a rental agreement option, the land will be managed to maintain the viability of the plant community as described in a participant's conservation plan developed with the NRCS. With USDA approval, participants may include a restoration agreement with either enrollment option.

All enrollment options permit grazing on the land in a manner that is consistent with maintaining the viability of the natural grasses, shrubs, and forbs. Haying, mowing, or harvesting seed is permitted except during the nesting seasons for area bird species that are in significant decline. If funds are limited, USDA gives a higher priority to applications with high quality grassland needing protection rather than restoring poorer quality grassland.

Features of the various enrollment options are:

- **10-year, 15-year, 20-year or 30-year rental agreements.** Rental payment amounts will not exceed 75 percent of the grazing value for the length of the agreement and are paid annually after the anniversary date of the agreement. County-based grazing values (determined on soil productivity) are posted in USDA field offices. Payment rates are evaluated to assure that the rates reflect local prevailing rental rates.
- **Permanent easements.** Easement duration is in perpetuity. Participants are provided an easement payment after the easement is filed. Easement payment amounts are based on the current market value



of the land less the grazing value of the land encumbered by the easement. Site specific appraisals determine land values.

- 30-year easements or easements for the maximum duration permitted based on State law. Participants are provided a payment that is 30 percent of the amount determined for a permanent easement.

For all easement options, Commodity Credit Corporation pays costs associated with recording the easement in the local land records office (recording fees, charges for abstracts, surveys, appraisal fees, title insurance, etc.). These costs are authorized for payment under Section 303 of the Uniform Relocation Assistance and Land Acquisition Policies Act of 1970. If NRCS and the landowner determine that restoration is necessary to return the vegetation to a desired condition, cost-share assistance is available. Participants may receive up to 90 percent of the cost of carrying out measures and practices on lands that have never been cultivated and not more than 75 percent of the cost on land that has been cultivated.

**Technical Assistance.** The participant develops a conservation plan with NRCS for the acres determined eligible for GRP. NRCS provides assistance to the participant after the land is enrolled. The plan specifies the manner in which the grasslands should be managed to maintain their viability. Under these agreements, participants have the opportunity to use common management practices to maintain the viability of the grassland acreage. NRCS technical assistance includes reviews of restoration measures, guidance on management activities, and basic biological advice to achieve optimum results considering all grassland resources.

#### Selected Examples of Recent Progress

**GRP Focuses on Drought Recovery.** All of the FY 2006 funding was directed to grassland conservation and recovery in 14 States suffering from severe drought conditions. The funds were used under 10-, 15-, and 20-year GRP rental agreements to aid in the recovery of drought-stressed grasslands on private lands in Alabama, Arkansas, Colorado, Georgia, Kansas, Minnesota, Missouri, Montana, Nebraska, North Dakota, Oklahoma, South Dakota, Texas, and Wyoming.

**Funding Cap Reached.** In FY 2006, GRP reached its statutory spending cap of \$254 million.

**FY 2006 Summary.** States obligated over \$34.8 million FY 2006 and committed an additional \$15.9 million for prior-year easement projects. The agencies approved 161 applications that enrolled 93,487 acres. There were 812 new GRP applications encompassing 970,628 acres valued at \$581 million.

Total Obligations	\$34,856,463	Rental Agreements Approved	142
Total Applications Processed	812	Rental Agreement Acres Enrolled	85,547
Total Applications Approved	161	Total Funds Obligated- Rental Agreements	\$11,772,793
Total Acres Enrolled	93,487	Easement Projects Enrolled	19
		Easement Acres Enrolled	7,940
		Total Funds Committed to Easement Projects	\$23,083,670

GRP Accomplishments	FY 2003	FY 2004	FY 2005	FY 2006
	Actual	Actual	Actual	Actual
Number of participants enrolled	794	1,055	1,156	161
Acres enrolled	240,965	283,338	384,794	93,487
Permanent protection of native grassland, rangeland, and shrubland through GRP conservation easements	60,341	78,218	97,742	7,940
Protection of grassland, rangeland, and shrubland habitat for declining species	134,098	255,000	282,466	60,370

**COMMODITY CREDIT CORPORATION  
CONSERVATION SECURITY PROGRAM**

**STATUS OF PROGRAM**

**Current Activities**

**Background.** The Conservation Security Program (CSP) is authorized by the Farm Security and Rural Investment Act of 2002. The CSP is a voluntary program administered by the Natural Resources Conservation Service (NRCS). The program provides financial and technical assistance to producers who advance the conservation and improvement of soil, water, air, energy, plant and animal life, and other conservation purposes on Tribal and private working lands. Such lands include cropland, grassland, prairie land, improved pasture, and rangeland, as well as forested land and other non-cropped areas that are an incidental part of an agricultural operation. The CSP regulation implements provisions set out in Title XII, Chapter 2, Subchapter A, of the Food Security Act of 1985, 16 U.S.C. 3801 et seq., as amended by the Farm Security and Rural Investment Act of 2002, enacted on May 13, 2002, Public Law 107-171 and is intended to assist agricultural producers in taking actions that will provide long-term beneficial effects.

Agricultural producers are longtime stewards of America's working lands and the CSP supports this ongoing stewardship by providing financial and technical assistance for producers to maintain and enhance resources. The purpose of CSP is to:

- Identify and reward those farmers and ranchers meeting the very highest standards of conservation and environmental management on their operations,
- Create powerful incentives for other producers to meet those same standards of conservation performance on their operations, and
- Provide public benefits for generations to come.

CSP rewards those farmers and ranchers who reach the pinnacle of good land stewardship and encourages others to enhance the ongoing production of clean water and clean air (which are valuable commodities to all Americans) on their farms and ranches. The program is available to all eligible producers on privately owned or Tribal lands in all 50 states, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands of the United States, American Samoa, and the Commonwealth of the Northern Mariana Islands.

**Land and Participant Eligibility Requirements.** The following are CSP land and participant eligibility requirements:

- The land must be privately owned or Tribal working land and the majority of the land must be located within one of the selected watersheds (forest land is not eligible).
- The applicant must be in compliance with highly erodible and wetland provisions of the Food Security Act of 1985, have an active interest in the agricultural operation, and have control of the land for the life of the contract.
- The applicant must share in the risk of producing any crop or livestock and be entitled to a share in the crop or livestock marketed from the operation.
- The applicant's average adjusted gross income for the preceding three years must be less than \$2.5 million unless 75 percent of that income is from farming, ranching, or forestry interest.

**Natural Resource Emphasis and Three Tier Approach.** The CSP emphasizes water quality and soil quality as nationally significant resource concerns because of the potential for significant environmental benefits from conservation treatment that improves their condition.

The CSP rewards three levels of conservation treatment. Tier I contract participants must have addressed water quality and soil quality resource concerns to the sustainable level of treatment on part of the participant's agricultural operation prior to application. Tier II contract participants must have addressed water quality and soil quality resource to the sustainable level of treatment on the entire agricultural operation prior to application. Tier II contract participants must also treat an additional significant resource

concern by the end of the contract period. For Tier III, the contract participants must have addressed all existing resource concerns to the sustainable level on their entire agricultural operation before application.

Participant's payments are determined by the tier of participation, conservation treatments completed and the acres enrolled:

- For Tier I (part of their agricultural operation), contracts are for 5 years; maximum payment is \$20,000 annually.
- For Tier II (all of their agricultural operation), contracts are for 5 to 10 years; maximum payment is \$35,000 annually.
- For Tier III (all of their agricultural operation), contracts are for 5 to 10 years; maximum payment is \$45,000 annually.

**Priority Watershed Delivery.** NRCS uses a watershed approach to deliver CSP to the farmers and ranchers of America's working agricultural lands. NRCS prioritized watersheds based upon a nationally consistent process that used existing natural resource, environmental quality, and agricultural activity data along with other information necessary to efficiently operate the program. Sign-ups for CSP participation are rotated between watersheds on an annual basis.

This priority watershed delivery approach reduces the administrative burden on applicants and minimizes the cost of processing a large number of applications that could not be funded. It also allows NRCS the flexibility to expand CSP as more program funds become available.

**Program Sign-up.** NRCS publishes a CSP sign-up notice for the selected priority watersheds with sufficient lead time for producers to consider the benefits of participation prior to the opening of the sign-up period. As a part of the public sign-up notice, NRCS' Chief will announce and explain the rationale for decisions with the following information: additional program eligibility criteria and nationally significant resource concerns; information on the priority order of enrollment categories and subcategories for funding contracts; an estimate of the total funds NRCS expects to obligate under new contracts during the sign-up; and the schedule and deadlines for the sign-up process.

**Producer Self-Assessment.** Using a self-assessment process, potential CSP participants complete an analysis and make a preliminary eligibility conclusion independent of NRCS. Using the results of the producer self-assessment process, NRCS determines whether the applicant, the land offered, and the level of historic conservation performance meet the requirements established for the sign-up.

**Approval Process.** The NRCS accepts and approves producer applications within the enrollment categories as outlined in the sign-up announcement and based on available funding. For approved applications, the NRCS or an approved Technical Service Provider (TSP) develops a conservation plan with the applicant. This plan forms the basis for the contract for conservation stewardship payments between the NRCS and the applicant. Once the parties approve the contract, the applicant becomes a CSP participant.

**Technical and Financial Assistance to Participants.** Technical assistance is available to CSP participants through the NRCS or an approved TSP. This technical assistance includes help to finalize the CSP application after producers have determined they meet CSP minimum requirements, to develop a conservation stewardship plan, and to apply conservation practice or system. There are four components to CSP financial assistance payments:

- An annual stewardship component for the base level of conservation treatment,
- An annual existing practice component for the maintenance of existing conservation practices,
- An enhancement component for exceptional conservation effort and additional activities that provide increased resource benefits beyond the prescribed level, and
- A one-time new practice component for additional needed practices.

### **Selected Examples of Recent Progress**

**4,400 New CSP Contracts Funded in Fiscal Year 2006.** NRCS funded 4,400 FY 2006 CSP contracts, more than half of the over 8,500 applications received during the sign-up. Over 99 percent of the contracts funded included entire agricultural operation (Tiers II and III). The contracts covered more than 3.7 million acres of private, working agricultural lands in 60 watersheds. This represents a nearly \$440 million commitment to conservation over the next 10 years.

**Contract Improvement Modifications Allowed for Fiscal Year 2004 Contracts.** Following a contract modification request period for FY 2004 contracts, total payments increased by 64 percent for additional conservation improvements not included in the original contracts. The contract modifications included advancing to a higher tier of participation, adding new enhancements to improve environmental performance above the CSP minimums, and in some cases adding eligible land.

Payments increased by:

- Stewardship payments increased by 32 percent to \$7.1 million.
- Enhancement payments for wildlife habitat management improvements increased to \$2.6 million, an increase of 174 percent in acres with wildlife habitat management applied.
- Other areas of conservation receiving significant payment increases include nutrient and pest management, grazing management, and air resources management; each increasing conservation practices applied by more than 65 percent.

**NRCS Employees Get High Scores for CSP Work.** According to the American Customer Satisfaction Survey, producers in the 2004 CSP pilot watersheds ranked NRCS employees very high for professionalism and courteous service in the delivery of CSP. NRCS received an overall score of 76 out of 100 for administering CSP. This score is considerably higher than the average national American Customer Satisfaction Index of 71 for the Federal government.

### **Conservation Security Program has grown in funding.**

- FY 2003 - \$3 million – used to formulate initial regulations and test program concepts.
- FY 2004 - \$41.4 million – implemented program in 18 watersheds.
- FY 2005 - \$202 million – implemented program in 220 watersheds including initial 18
- FY 2006 - \$259 million – implemented program in 60 watersheds.

**PART Assessment.** During FY 2006, a Program Assessment Rating Tool (PART) assessment of CSP rated the program as “Results Not Demonstrated.” The assessment acknowledged that it is difficult to estimate the environmental benefits from CSP’s enhancement activities that provide incentives for producers to achieve benefits greater than the minimum standards. CSP rewards producers who already meet the minimum standards and provides them incentives to perform additional activities. The assessment found that CSP has not yet gathered data demonstrating that it effectively motivates people to achieve a higher level of conservation than they otherwise would adopt. Also, CSP has potential to duplicate payments disbursed through other USDA programs. Analysis of the first year’s program signup that took place in FY 2004 identified situations where CSP stewardship payments replicated payments of other USDA programs.

In response to the findings, NRCS has:

- Developed and implemented new systems to reduce the number of duplicate payments,
- Initiated implementation of a 5-year comprehensive budget and performance strategy aligned with the Strategic Plan,
- Revised CSP’s long-term and annual measures to adequately reflect PART guidance, and
- Continued development and implementation of tools to give the Agency the ability to evaluate environmental benefits derived from enhancement activities.

**COMMODITY CREDIT CORPORATION  
AGRICULTURAL MANAGEMENT ASSISTANCE PROGRAM**

**STATUS OF PROGRAM**

**Current Activities**

**Background.** Section 524(b), Agricultural Management Assistance (AMA), authorized the Secretary of Agriculture to use \$10 million of Commodity Credit Corporation (CCC) funds for cost-share assistance in 10 to 15 States where participation in the Federal Crop Insurance Program is historically low. Section 524(b) of the Federal Crop Insurance Act, 7 U.S.C. 1524(b), was added by Title I, Section 133, of the Agricultural Risk Protection Act of 2000 (PL 106-224, June 22, 2000). Section 133 (Public Law 106-224, Section 524(b), was further amended by the Farm Security and Rural Investment Act of 2002, (Farm Bill), Public Law 107-171, May 13, 2002. This public law authorizes funding at \$20 million per year for AMA through Fiscal Year 2007.

Section 524(b)(2)(A), (B), and (C) provides for cost-share assistance to producers to construct or improve water management structures or irrigation structures; plant trees for windbreaks or improve water quality; and mitigate risks through production diversification or resource conservation practices, including soil erosion control, integrated pest management, or transition to organic farming. Section 524(b)(2)(D) and (E) provides for cost-share assistance to producers to enter into futures, hedging, or options contracts in a manner designed to help reduce production, price, or revenue risk; and enter into agricultural trade options as a hedging transaction to reduce production, price, or revenue risk.

The Secretary designated 15 States to participate in AMA: Connecticut, Delaware, Maine, Maryland, Massachusetts, Nevada, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Utah, Vermont, West Virginia, and Wyoming. NRCS, Risk Management Agency, and Agricultural Marketing Service administer the AMA funds in amounts determined by the Secretary.

**Program Design.** NRCS developed the conservation provisions so the implementation would be flexible and allow States the opportunity to use the program to meet their resource needs. States individually determined the resource concerns to be addressed, eligible practices, and applicant ranking criteria, the ranking process, and cutoff dates for ranking applications. States are responsible for fund allocations within the State, payment methods, and public outreach and information activities. NRCS' decisions were based on consultation with State Technical Committees using a locally led process. The program does not have any buy-down provisions and payments can be made the first year of the contract. Participants may use AMA in conjunction with other USDA conservation programs.

**Program Implementation.** Participation in AMA is voluntary. Applicants are required to own or control the land, agree to implement specific eligible conservation practices, and to meet the Food Security Act 'person' definition. AMA implementation is based on a conservation plan that is the basis for developing the AMA contract. Participants enter into 3- to 10-year contracts to install the planned and needed conservation practices. Participants must agree to maintain cost-shared practices for the life of the practice. AMA's maximum cost share rate is 75 percent. Participants are allowed to contribute to the cost of a practice through in-kind contributions. Eligible in-kind contributions include personal labor, use of personal equipment, donated labor or materials, and on-hand or approved used materials.

**Selected Examples of Recent Progress**

In FY 2006, NRCS allocated \$5 million of CCC funds to the AMA states for financial and technical assistance; they were used to fund 276 contracts on 13,400 acres. Implementation of existing AMA contracts will continue for the next three to 10 fiscal years. Currently, there are 1,919 contracts in implementation. The continued backlog of applications indicates support among producers for AMA. The total application backlog is 404 applications covering 33,175 acres for about \$8,030,000.

**COMMODITY CREDIT CORPORATION  
CONSERVATION RESERVE PROGRAM**

**STATUS OF PROGRAM**

**Current Activities**

**Background.** Conservation Reserve Program (CRP) provides technical and financial assistance to eligible farmers and ranchers to address soil, water, and related natural resource concerns on their lands in an environmentally beneficial and cost-effective manner. The program provides assistance to farmers and ranchers in complying with Federal, State, and Tribal environmental laws, and encourages environmental enhancement. The program is funded through the Commodity Credit Corporation. CRP is administered by the Farm Service Agency (FSA), with NRCS providing technical land eligibility determinations, conservation planning, and practice implementation. CRP offers 10- to 15-year rental contracts for retirement of excessively erodible cropland or land that contributes to water quality problems and to improve or develop wildlife habitat. It is a voluntary program.

**CRP Benefits to Producers and Society.** Benefits to producers include increased carbon and organic matter in the soil and payment incentives for retiring the fragile and environmentally sensitive lands. Societal benefits are reduced pollution to streams and rivers from agricultural non-point sources, improved water quality and wildlife habitat, and reduced soil erosion and sedimentation.

**Land Eligibility.** To be eligible for CRP, land must be either:

- Cropland (including field margins) that is planted or considered planted to an agricultural commodity four of the six years from 1996 to 2001, and which is physically and legally capable of being planted in a normal manner to an agricultural commodity, or
- Certain marginal pastureland that is enrolled in the Water Bank Program or suitable for use as a riparian buffer or for similar water quality purposes.

Additionally, cropland must meet one of the following criteria:

- Have a weighted average erosion index of 8 or higher,
- Be located within a national or state CRP conservation priority area, or
- Be expiring CRP acreage.

**General Sign-Up.** For the General Sign-Up, the Environmental Benefit Index is calculated for bids offered by landowners. Once bids are accepted, conservation plans are developed with landowners to provide for protective cover of grasses or trees that will reduce soil erosion, improve water quality, and enhance wildlife habitat. Conservation plans also allow for monitoring the implementation of conservation practices and maintenance of CRP acreage.

**Continuous CRP.** The 1996 Act enabled the use of a Continuous CRP (CCRP) to assist in the goal of enrolling the most environmentally sensitive cropland. The CCRP emphasizes certain conservation practices such as grassed waterways, filter strips, etc. A practice incentive payment is provided for all CCRP practices. Other CCRP incentives include:

- Incentive payments of 10 to 20 percent are provided to the producer if specific practices are installed.
- Signing Incentive Payment is provided for windbreaks, grassed waterways, shelterbelts, living snow fences, filter strips, and riparian buffers.
- Other incentives include one for up to 25 percent of the cost to restore the hydrology as a part of the restoration of wetlands.

**Conservation Reserve Enhancement Program (CREP).** NRCS also provides technical assistance to States with CREPs that have National or State significant conservation and environmental problems on agricultural lands, as a result of agricultural activities in specific geographic areas. The States with CREP contracts include Maryland, Minnesota, Illinois, New York, Oregon, Washington, North Carolina, Delaware, Pennsylvania, Virginia, Ohio, Michigan, Missouri, California, North Dakota, Iowa, Kentucky,

Arkansas, Wisconsin, Vermont, Montana, Nebraska, West Virginia, Florida, New Jersey, Louisiana, and Indiana. New York, Ohio, Pennsylvania, Nebraska, and Minnesota have two or more CREPs.

**Streamlining CRP.** NRCS and FSA agreed to a streamlining process which reduced duties for the NRCS employees by 50 to 90 percent on all CRP contracts (General, Re-enrollment (REX), Emergency Forestry Conservation Reserve Program and contracts with Forestry practices). Following a review of the core work products and processes, NRCS and FSA agreed that streamlining would allow NRCS and Technical Service Providers to reduce and distribute the CRP workload more efficiently. The streamlining was completed in preparation for the impending workload involving the 16.1 million acres.

**NRCS Technical Assistance to CRP.**

- **FY 2006:** Under the 33<sup>rd</sup> General CRP sign-up, NRCS provided conservation planning for 17,750 contracts covering over 1 million acres, and under the 31<sup>st</sup> Continuous sign-up for 39,370 contracts covering 429,000 acres. Under the 32<sup>nd</sup> Re-Enrollment CRP sign-up, NRCS provided conservation planning for 32,076 contracts covering over 2.7 million acres. In addition, NRCS provided planning, conservation practice application, and maintenance activities for the approximately 36.7 million acres enrolled to date.
- **FY 2005:** Under the 29<sup>th</sup> General CRP sign up, NRCS provided conservation planning for 19,732 contracts covering 1,187,957 acres, and under the 30<sup>th</sup> Continuous sign-up for 28,041 contracts covering 322,908 acres. In addition, NRCS provided planning, conservation practice application, and maintenance activities for the approximately 36 million acres enrolled to date.
- **FY 2004:** Under the 26<sup>th</sup> General CRP sign up, NRCS provided conservation planning for 38,482 contracts covering 1,995,189 acres, and under the 28<sup>th</sup> Continuous sign-up for 21,385 contracts covering 217,265 acres. In addition, NRCS provided planning, conservation practice application, and maintenance activities for the approximately 34.8 million acres enrolled to date.

**Selected Examples of Recent Progress**

Currently, there are 767,192 CRP contracts covering over 36.7 million acres on 434,582 farms in all 50 States and Puerto Rico. CRP has an authorized enrollment of 39.2 million acres or about 10 percent of the Nation's cropland. Other significant accomplishments in FY 2006 include:

- **Farmable Wetland Program.** Approximately 6,670 acres were restored and over 16,000 acres of upland buffers were established. The 2002 Farm Bill authorized the Farmable Wetlands Program and abolished the 2001 Farmable Wetland Pilot, which had been authorized by the Agriculture Appropriations Act to allow enrollment of certain wetlands and buffer acreage on a pilot basis into CRP. Sign up for the Farmable Wetland Program is on a continuous basis. The program may enroll up to 1 million acres nationally, with no more than 100,000 acres enrolled in each state.
- **Upland Birds and Bobwhite Quail Habitat Buffer Initiative.** Approximately 65,900 acres were established to provide nesting and brood-rearing cover for the northern bobwhite quail and upland birds. This initiative creates habitat by establishing early successional grass buffers around the borders of cropland fields. The enrollment goal for 35 States involved is 250,000 acres.
- **Non-Floodplain Wetland Restoration Initiative.** Over 11,800 acres of large wetland complexes and playa lakes were restored and or developed including upland buffers. The Non-Floodplain Wetland Restoration Initiative enrolls acres of large wetland complexes and playa lakes located outside a 100-year floodplain to provide habitat for migratory and over-wintering waterfowl. States were assigned enrollment goals totaling 250,000 acres. NRCS provides technical assistance.
- **Floodplain Wetland Restoration.** Approximately 20,100 acres located inside 100-year floodplains were restored. This total includes upland acres. The Floodplain Wetland Restoration Initiative enrolls acres of restored wetland located inside the 100-year floodplain to reduce impacts of flooding and to protect and restore floodplains. States were assigned enrollment goals totaling 500,000 acres. NRCS provides technical assistance.
- **Bottomland Hardwood Tree Planting Initiative.** Trees were established on about 15,800 acres as a part of the bottomland hardwood initiative; it helps sequester greenhouse gases, improve water quality, and restore wildlife habitat. The enrollment goal is 500,000 acres.

NATURAL RESOURCES CONSERVATION SERVICE  
**Summary of Budget and Performance**  
**Statement of Goals and Objectives**

NRCS has six Strategic Goals and nine Objectives that contribute to one USDA Strategic Goal and four Strategic Objectives

USDA Strategic Goal/Objective	Agency Strategic Goal	Agency Objectives	Programs that Contribute	Key Outcome
<b>USDA Strategic Goal 6:</b> Protect and Enhance the Nation's Natural Resource Base and Environment  <b>USDA Strategic Objective 6.1:</b> Protect Watershed Health to Ensure Clean and Abundant Water	<b>Agency Goal:</b> Clean and Abundant Water	<i>Water Quality:</i> By 2010, agricultural producers will reduce potential delivery of sediment and nutrients from their operations.	CO (CTA, Plant Materials), W/S Planning, P.L.-534, P.L.-566, EQIP, CSP, CRP, RC&D, AMA	<b>Key Outcome 1:</b> The quality of the surface waters and groundwater is improved and maintained to protect human health, support a healthy environment, and encourage a productive landscape.
		<i>Water Quantity:</i> By 2010, conserve 8 million acre-feet of water.	CO (CTA, Snow Survey), P.L.-534, P.L.-566, EQIP, GSWC, CSP, RC&D, Watershed Rehabilitation, Klamath Basin	<b>Key Outcome 2:</b> Water is conserved and protected to ensure an abundant and reliable supply for the Nation.
	<b>Agency Goal:</b> Working Farm and Ranch Lands	By 2010, 70 percent of farms and ranches protected under easements will remain in active agriculture.	FRPP	<b>Key Outcome 3:</b> Connected landscapes sustain a viable agricultural sector and natural resource quality.
<b>USDA Strategic Goal 6:</b> Protect and Enhance the Nation's Natural Resource Base and Environment  <b>USDA Strategic Objective 6.2:</b> Enhance Soil Quality to Maintain Productive Working Cropland	<b>Agency Goal:</b> High-quality, Productive Soils	By 2010, farmers will manage 70 percent of cropland under systems that maintain or improve soil condition and increase soil carbon.	CO (CTA), Soil Survey, EQIP, CSP	<b>Key Outcome 4:</b> The quality of intensively used soils is maintained or enhanced to enable sustained production of a safe, healthy and abundant food supply.
	<b>Agency Goal:</b> Clean Air	Under development	CO (CTA), EQIP, CSP	<b>Key Outcome 5:</b> Agriculture makes a positive contribution to local air quality and the Nation's efforts to sequester carbon.



USDA Strategic Goal/Objective	Agency Strategic Goal	Agency Objectives	Programs that Contribute	Key Outcome
	<b>Agency Goal:</b> An Adequate Energy Supply	Under development	EQIP, CSP	<b>Key Outcome 6:</b> Agricultural activities conserve energy, and agricultural lands are a source of environmentally sustainable biofuels and renewable energy.
<b>USDA Strategic Goal 6:</b> Protect and Enhance the Nation's Natural Resource Base and Environment  <b>USDA Strategic Objective 6.3:</b> Protect Forests and Grazing Lands	<b>Agency Goal:</b> Healthy Plant and Animal Communities	By 2010, farmers, ranchers, and private non-industrial forest owners will apply management that will maintain or improve long-term vegetative condition on 150 million acres of grazing and forest land.	CO (CTA), EQIP, GRP,HFRP, CSP	<b>Key Outcome 7:</b> Grassland, rangeland and forest ecosystems are productive, diverse, and resilient.
<b>USDA Strategic Goal 6:</b> Protect and Enhance the Nation's Natural Resource Base and Environment  <b>USDA Strategic Objective 6.4:</b> Protect and Enhance Wildlife Habitat to Benefit Desired, At-Risk and Declining Species	<b>Agency Goal:</b> Healthy Plant and Animal Communities	<i>Fish and Wildlife Habitat:</i> By 2010, an additional nine million acres of essential habitat will be improved and managed to benefit at-risk and declining species.	CO (CTA), EQIP, CSP, WRP, WHIP, CRP	<b>Key Outcome 8:</b> Working lands and waters provide habitat for diverse and healthy wildlife, aquatic species, and plant communities.
		<i>Wetlands:</i> By 2010, resource managers will create, restore, or enhance 1.5 million acres of wetlands on non-Federal lands.	CO (CTA), WRP, CRP	<b>Key Outcome 9:</b> <i>Wetlands:</i> Wetlands provide quality habitat for migratory birds and other wildlife, protect water quality, and reduce flood damages.

## NATURAL RESOURCES CONSERVATION SERVICE

**STRATEGIC OBJECTIVE 6.1:** Protect Watershed Health to Ensure Clean and Abundant Water**STRATEGIC OBJECTIVE 6.2:** Enhance Soil Quality to Maintain Productive Working Cropland**STRATEGIC OBJECTIVE 6.3:** Protect Forests and Grazing Land**STRATEGIC OBJECTIVE 6.4:** Protect and Enhance Wildlife Habitat to Benefit Desired, At-Risk and Declining Species**Strategic Objective and Funding Matrix**  
(On basis of appropriation)

	<u>2006 Actual</u>		<u>2007 Budget</u>		<u>Increase or Decrease</u>	<u>2008 Estimated</u>	
	<u>Amount</u>	<u>Staff Years</u>	<u>Amount</u>	<u>Staff Years</u>		<u>Amount</u>	<u>Staff Years</u>
<b>Strategic Objective 6.1:</b>							
Conservation Technical Assistance	253,074,000	2,148	239,320,000	2,054	1,779,000	241,099,000	1,924
Snow Survey and Water Supply Forecasting	10,544,000	65	10,588,000	65	172,000	10,760,000	61
Plant Materials Program	10,442,000	102	10,573,000	112	285,000	10,858,000	93
Watershed Surveys and Planning	6,022,000	44	6,022,000	43	-6,022,000	0	0
Flood Prevention Operations P.L.-534							
1. Technical Assistance	3,960,000	28	1,600,000	16	-1,600,000	0	0
2. Financial Assistance	5,940,000	0	1,900,000	0	-1,900,000	0	0
Subtotal, P.L.-534	9,900,000	28	3,500,000	16	-3,500,000	0	0
Watershed Operations P.L.-566							
1. Technical Assistance	25,740,000	209	18,000,000	148	-18,000,000	0	0
2. Financial Assistance	38,610,000	0	18,500,000	0	-18,500,000	0	0
Subtotal, P.L.-566	64,350,000	209	36,500,000	148	-36,500,000	0	0
Emergency Watershed Protection Program							
1. Technical Assistance	60,146,400	188	0	456	0	0	0
2. Financial Assistance	290,808,600	0	0	0	0	0	0
Subtotal, EWP	350,955,000	188	0	456	0	0	0
Watershed Rehabilitation							
1. Technical Assistance	16,636,000	92	13,359,000	96	-7,552,000	5,807,000	35
2. Financial Assistance	14,609,000	0	15,200,000	0	-15,200,000	0	0
Subtotal, Rehabilitation	31,245,000	92	28,559,000	96	-22,752,000	5,807,000	35
Resource Conservation and Development	50,787,000	456	50,787,000	454	-36,134,000	14,653,000	123
Environmental Quality Incentives Program	595,430,000	1,349	610,200,000	1,579	-10,200,000	600,000,000	1,578
Ground & Surface Water	69,785,000	156	51,000,000	186	-51,000,000	0	0
Klamath Basin	11,258,000	28	6,013,000	30	-6,013,000	0	0
Conservation Security Program	128,610,000	156	129,500,000	159	28,606,000	158,106,000	175
Agricultural Management Assistance	4,940,000	10	6,000,000	21	-6,000,000	0	0
Farm and Ranch Lands Protection Program	73,481,000	22	50,000,000	30	-50,000,000	0	0
Farm Bill Conservation Activities	0	0	0	0	157,000,000	157,000,000	0
Conservation Reserve Program Technical Asst.	54,397,000	512	56,000,000	484	-15,401,000	40,599,000	335
<b>Subtotal, Strategic Objective 6.1</b>	<b>1,725,220,000</b>	<b>5,565</b>	<b>1,294,562,000</b>	<b>5,933</b>	<b>-55,680,000</b>	<b>1,238,882,000</b>	<b>4,324</b>

	<u>2006 Actual</u>		<u>2007 Budget</u>		<u>Increase or Decrease</u>	<u>2008 Estimated</u>	
	<u>Amount</u>	<u>Staff Years</u>	<u>Amount</u>	<u>Staff Years</u>		<u>Amount</u>	<u>Staff Years</u>
<b><u>Strategic Objective 6.2:</u></b>							
Conservation Technical Assistance	216,921,000	1,841	205,131,000	1,761	1,525,000	206,656,000	1,649
Soil Survey	87,268,000	810	86,462,000	808	4,892,000	91,354,000	808
Environmental Quality Incentives Program	198,477,000	450	203,400,000	526	-3,400,000	200,000,000	526
Conservation Security Program	64,305,000	78	64,750,000	80	14,303,000	79,053,000	88
<b>Subtotal, Strategic Objective 6.2</b>	<b>566,971,000</b>	<b>3,179</b>	<b>559,743,000</b>	<b>3,175</b>	<b>17,320,000</b>	<b>577,063,000</b>	<b>3,071</b>
<b><u>Strategic Objective 6.3:</u></b>							
Conservation Technical Assistance	144,614,000	1,228	136,754,000	1,174	1,016,000	137,770,000	1,099
Healthy Forests Reserve Program	2,475,000	1	2,475,000	1	1,000	2,476,000	1
Environmental Quality Incentives Program	148,858,000	337	152,550,000	395	-2,550,000	150,000,000	395
Conservation Security Program	64,305,000	78	64,750,000	80	14,303,000	79,053,000	88
Grasslands Reserve Program	37,761,000	13	16,000,000	26	-16,000,000	0	0
<b>Subtotal, Strategic Objective 6.3</b>	<b>398,013,000</b>	<b>1,657</b>	<b>372,529,000</b>	<b>1,676</b>	<b>-3,230,000</b>	<b>369,299,000</b>	<b>1,583</b>
<b><u>Strategic Objective 6.4:</u></b>							
Conservation Technical Assistance	108,459,000	921	102,565,000	881	763,000	103,328,000	824
Wetlands Reserve Program	191,034,000	198	263,590,000	203	191,410,000	455,000,000	326
Environmental Quality Incentives Program	49,619,000	113	50,850,000	132	-850,000	50,000,000	131
Wildlife Habitat Incentives Program	42,621,000	91	43,000,000	124	-43,000,000	0	0
Conservation Reserve Program Technical Asst.	23,313,000	219	24,000,000	207	-6,599,000	17,401,000	143
<b>Subtotal, Strategic Objective 6.4</b>	<b>415,046,000</b>	<b>1,542</b>	<b>484,005,000</b>	<b>1,547</b>	<b>141,724,000</b>	<b>625,729,000</b>	<b>1,424</b>
<b>Total, Available</b>	<b>3,105,250,000</b>	<b>11,943</b>	<b>2,710,839,000</b>	<b>12,331</b>	<b>100,134,000</b>	<b>2,810,973,000</b>	<b>10,402</b>

**Selected Accomplishments Expected at the FY 2008 Proposed Resource Level:**

**Key Outcome 1 — Water Quality:** The quality of surface waters and groundwater is improved and maintained to protect human health, support a healthy environment, and encourage a productive landscape.

Program	Performance Measure	FY 2007 Target	FY 2008 Target
CO-CTA	Comprehensive Nutrient Management Plans applied, number	1,900	1,900
	Watershed or area-wide conservation plans developed, number	250	245
CO-Plant Materials	Plant materials technical documents prepared and transferred to customers, number	295	300
EQIP	Comprehensive Nutrient Management Plans applied, number	3,000	3,000
Watershed Rehabilitation	Dams rehabilitated or removed, number	20	2

**Key Outcome 2 — Water Quantity:** Water is conserved and protected to ensure an abundant and reliable supply for the Nation.

Program	Performance Measure	FY 2007 Target	FY 2008 Target
CO-CTA	Land with conservation applied to improve irrigation efficiency, acres	517,000	500,000
CSP	Land with conservation applied to improve irrigation efficiency, acres	32,000	32,000
EQIP	Land with conservation applied to improve irrigation efficiency, acres	700,000	700,000
GSWC	Land with conservation applied to improve irrigation efficiency, acres	340,000	0

**Key Outcome 3 - Working Farm and Ranch Lands:** Connected landscapes sustain a viable agricultural sector and natural resource quality.

Program	Performance Measure	FY 2007 Target	FY 2008 Target
FRPP	Prime, unique or important farmland protected from conversion to non-agricultural uses by conservation easements, acres	29,200	0

**Key Outcome 4 — High-quality, Productive Soils:** The quality of intensively used soils is maintained or enhanced to enable sustained production of a safe, healthy and abundant food supply.

Program	Performance Measure	FY 2007 Target	FY 2008 Target
CO-CTA	Cropland with conservation applied to improve soil quality, million acres	6.0	6.0
CO-Soil Survey	Soil surveys mapped or updated, million acres	32.5	35.0
EQIP	Cropland with conservation applied to improve soil quality, million acres	5.0	5.0
CSP	Cropland with conservation applied to improve soil quality, million acres	0.14	0.14

**Key Outcome 5 — Clean Air:** Agriculture makes a positive contribution to local air quality and the Nation's efforts to sequester carbon.

NRCS will continue to provide assistance to producers to address six air quality and atmospheric change concerns: particulate matter (including coarse and fine particles, smoke, dust, and off-site effects from wind erosion), ozone precursors, odor, chemical drift, ammonia, and greenhouse gases and carbon sequestration. Requests for assistance on these issues are expected to increase. The new members of the Task Force will continue the Task Force's work. Technology development and transfer will be continued to provide the field with the information and tools they need provide high quality service.

**Key Outcome 6 — An Adequate Energy Supply:** Agricultural activities conserve energy, and agricultural lands are a source of environmentally sustainable biofuels and renewable energy.

As in 2006, the CSP will offer enhancement payments as incentives to reward or encourage on-farm energy conservation and management. The enhancements are available once the applicant qualifies for CSP by meeting the program's entry requirements for soil and water quality. CSP will encourage farmers and ranchers to implement new methods to recycle waste lubricants in their operations, reduce the use of fossil fuels, and reduce impacts on the environment from the use of energy. EQIP will provide cost-shares for practices that reduce on-farm energy costs and energy production from methane as part of nutrient management on animal operations. The Agency will continue to increase energy efficiency in the operation of its own fleet and facilities.

**Key Outcome 7 — Grassland, Rangeland and Forest Ecosystems:** Grassland, rangeland, and forest ecosystems are productive, diverse, and resilient.

Program	Performance Measure	FY 2007 Target	FY 2008 Target
CO-CTA	Grazing land and forest land with conservation applied to protect and improve the resource base, million acres	8	7.7
EQIP	Grazing land and forest land with conservation applied to protect and improve the resource base, million acres	13	13.0
CSP	Grazing land and forest land with conservation applied to protect and improve the resource base, million acres	0.06	0.06

**Key Outcome 8 — Fish and Wildlife Habitat:** Working lands and waters provide habitat for diverse and healthy wildlife, aquatic species, and plant communities.

Program	Performance Measure	FY 2007 Target	FY 2008 Target
CO-CTA	Non-federal land with conservation applied to improve fish and wildlife habitat quality, million acres	8.5	8.5
WHIP	Non-federal land with conservation applied to improve fish and wildlife habitat quality, million acres	0.2	0

**Key Outcome 9 — Wetlands:** Wetlands provide quality habitat for migratory birds and other wildlife, protect water quality, and reduce flood damage.

Program	Performance Measure	FY 2007 Target	FY 2008 Target
CO-CTA	Wetlands created, restored or enhanced, acres	51,300	51,300
CRP	Wetlands created, restored or enhanced, acres	58,500	40,000
WRP	Wetlands created, restored or enhanced, acres	156,000	160,000
	Farmland, forest land, and wetlands protected by conservation easements, acres	111,550	115,000

NATURAL RESOURCES CONSERVATION SERVICE  
**Summary of Budget and Performance**  
**Key Performance Outcomes and Measures**

**Key Outcome 1 — Water Quality:** The quality of surface waters and groundwater is improved and maintained to protect human health, support a healthy environment, and encourage a productive landscape.

Water running off or infiltrating the ground from agricultural operations can carry a number of potential pollutants into streams, lakes, groundwater, and estuaries. States and Tribes have identified sediment and nutrients as the most extensive agricultural contaminants affecting surface water quality; nutrients and agrichemicals are the major concerns for groundwater. NRCS sets long-term targets for reducing the potential of sediment and nutrients to move from agricultural operations. Long-term measures are supported by annual measures for application of conservation practices that reduce erosion and runoff and movement of nutrients.

Long-term Performance Measures:

- Reduce potential sediment delivery from agricultural operations.  
*Target:* In 2010, potential sediment delivery from agricultural operations will be reduced by 70 million tons.  
*Baseline:* In FY 2003, potential sediment delivery from agricultural operations was 970 million tons.
- Reduce potential nitrogen delivery from agricultural operations.  
*Target:* In 2010, potential delivery of nitrogen from agricultural operations will be reduced by 375,000 tons.  
*Baseline:* In FY 2003, potential annual nitrogen delivery from agricultural operations was an estimated 6 million tons.
- Reduce potential phosphorus delivery from agricultural operations.  
*Target:* In 2010, potential delivery of phosphorus from agricultural operations will be reduced by 70,000 tons.  
*Baseline:* In FY 2003, potential annual phosphorus delivery from agricultural operations was an estimated 360,000 tons.

Key Annual Performance Targets:

Performance Measure	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Target	2008 Target
Comprehensive Nutrient Management Plans applied, number						
CTA	2,132	2,372	2,420	2,269	1,900	1,900
EQIP	948	1,055	2,032	2,774	3,000	3,000
Watershed or area-wide conservation plans developed, number	NA	NA	304	409	250	245
Plant materials technical documents prepared and transferred to customers, number	153	124	231	427	295	300
Dams rehabilitated or removed, number	12	20	11	4	20	2

Description of annual performance measures:

- Comprehensive Nutrient Management Plans applied. A CNMP identifies management and conservation actions that will be followed to meet clearly defined soil and water conservation goals, including nutrient management, on an animal feeding operation. A CNMP incorporates practices to utilize animal manure and organic by-products as a beneficial resource. CNMPs enable producers to manage collection, storage, and disposal of animal wastes in ways that minimize the potential for damage to the environment.
- Watershed or area-wide conservation plans developed. Many natural resource concerns, such as water quality, can be addressed best by planning for large areas of the landscape. NRCS helps people in communities work together to protect their shared environment. Watershed and area-wide plans consider all resource issues within the area and are designed to protect the environment while meeting the varied needs of all the members of the community.
- Plant materials technical documents prepared and transferred to customers. Plants and plant technologies are important tools to meet evolving natural resource conservation needs. This measure tracks the number of technical documents that are developed and made available to internal and external customers to enable effective use of plants developed by NRCS.
- Dams rehabilitated or removed. Local communities, with NRCS assistance, have constructed over 11,000 dams in 47 states since 1948. Many of these dams are nearing the end of their 50-year design life. Rehabilitation of these dams is needed to address critical public health and safety issues.

**Key Outcome 2 — Water Quantity:** Water is conserved and protected to ensure an abundant and reliable supply for the Nation.

Agriculture is one of the largest users of the Nation’s surface water and groundwater, with irrigation being the greatest use. In arid and semi-arid areas, crop production depends almost entirely on irrigation. Competition for water in these areas is increasing as a result of increased human populations. In recent years, irrigation has been increasing in eastern States, resulting in increased competition there also. NRCS has set a long-term target for the conservation of water in the period 2006-2010. The long-term measure is supported by an annual measure for application of practices that improve the management of irrigation water.

Long-term Performance Measures:

*Target:* By 2010, conserve 8 million acre-feet of water.

*Baseline:* In 2005, an estimated 2.5 million acre-feet of water were conserved.

Key Annual Performance Targets:

Performance Measure	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Target	2008 Target
Land with conservation applied to improve irrigation efficiency, acres						
CTA	NA <sup>1</sup>	NA <sup>1</sup>	663,986	678,373	517,000	500,000
EQIP	NA <sup>1</sup>	NA <sup>1</sup>	675,606	730,631	700,000	700,000
GSWC	NA <sup>1</sup>	NA <sup>1</sup>	353,554	407,885	340,000	0
CSP	NA <sup>2</sup>	100,000	1,300,000	270,000	32,000	32,000

<sup>1</sup> Performance data for this measure are not available prior to FY2005.

<sup>2</sup> Program did not exist in FY 2003.

Description of annual performance measures:

- Land with conservation applied to improve irrigation efficiency. Irrigation makes a significant contribution to the United States farm economy. Improvements in irrigation water management can help to maintain the viability of the irrigated agricultural sector and help to protect water quality. This

indicator reports the adoption of improved technology to replace older methods and other improvements to existing systems.

**Key Outcome 3 - Working Farm and Ranch Lands:** Connected landscapes sustain a viable agriculture sector and natural resource quality.

Conversion of cropland, grazing land and forest land to other uses can fragment landscapes and diminish their value for agriculture and forest uses, water management, wildlife habitat and aesthetic purposes. The rate of development has accelerated. As predominantly agricultural watersheds shift toward mixed urban and suburban landscapes, land values escalate and agricultural viability diminishes. NRCS assists with preserving agricultural watersheds through its assistance with land use planning, providing technical and educational tools to help develop alternative agricultural enterprises and maintain economic viability. Currently, the long term performance measure for this outcome is set in terms of the effectiveness of easement programs in encouraging maintenance of land in agricultural use.

Long-Term Performance Measures

*Target:* In 2010, 70 percent of farms and ranches protected under easements will remain in active agriculture.

*Baseline:* In 2005, 97 percent of farms and ranches protected under easements were in active agriculture.

Key Annual Performance Targets:

Performance Measure	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Target	2008 Target
Prime, unique or important farmland protected from conversion to non-agricultural uses by conservation easements, acres	25,074	25,314	69,390	45,236	29,200	0

Description of annual performance measures:

- Prime, unique or important farmland protected from conversion to non-agricultural uses by conservation easements. Prime, unique and important farmlands are those that have the best combination of physical and chemical characteristics for producing food, feed, fiber, forage, or oil seed crops. This measure documents the cumulative acreage of prime, unique and important farmlands that are permanently protected from conversion to non-agricultural uses. This measure reports on cumulative acres of prime, unique and important soils protected by permanent easements registered at the courthouse.

**Key Outcome 4 — High-quality, Productive Soils:** The quality of intensively used soils is maintained or enhanced to enable sustained production of a safe, healthy and abundant food supply.

Soil quality describes the capacity of a soil to sustain plant and animal productivity, maintain or enhance water and air quality, and support human health and habitation. High-quality soils are the foundation of productive croplands, forest lands, and grasslands and a vibrant and productive agriculture. NRCS provides landowners and land users with assistance in adopting environmentally sound management practices. NRCS provides information on soil quality, plant materials, resource management and provides assistance in using the information to implement sustainable production techniques and new technologies. Land managers who receive NRCS technical assistance are more likely to plan, apply, and maintain conservation systems that support agricultural production and environmental quality as compatible goals.



Long-term Performance Measures:

*Target:* In 2010, farmers will manage 70 percent of cropland under systems that maintain or improve soil condition and increase soil carbon.

*Baseline:* In 2003, 60 percent of cropland was farmed under systems that maintained or improved soil condition and increased soil carbon.

Key Annual Performance Targets:

Performance Measure	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Target	2008 Target
Cropland with conservation applied to improve soil quality, million acres						
CTA	NA <sup>1</sup>	NA <sup>1</sup>	6.0	6.4	6.0	6.0
EQIP	NA <sup>1</sup>	NA <sup>1</sup>	2.2	3.4	5.0	5.0
CSP	NA <sup>2</sup>	1.3	6.9	1.4	0.14	0.14
Soil surveys mapped or updated, million acres	22.5	27.6	32.0	35.5	32.5	35.0

<sup>1</sup> Performance data for this measure are not available prior to FY2005.

<sup>2</sup> Program did not exist in FY 2003.

## Description of annual performance measures:

- Cropland with conservation applied to improve soil quality. Controlling erosion, minimizing soil disturbance and compaction, and managing plants and soil organic matter are all essential to maximizing soil quality and function for agricultural and environmental benefits. This measure reflects the acres of cropland and hay land on which conservation practices have been applied to improve soil quality.
- Soil surveys mapped or updated. NRCS technical standards for soil science and soil surveys are recognized world-wide. Information provided in soil surveys help scientists and policy makers make informed decisions. This measure tracks acres of soils mapped and updated by NRCS and partners in a number of land categories (private, Tribal lands, federal lands).

**Key Outcome 5 — Clean Air:** Agriculture makes a positive contribution to local air quality and the Nations efforts to sequester carbon.

The quality of air affects every component of the natural system: soil, water, plants, animals, and people. As air quality and atmospheric change concerns increase, NRCS anticipates an expanded conservation focus on these issues. Many practices that protect soil and water also protect air quality and store carbon. NRCS is revising and adapting conservation standards and specifications to better address air issues. NRCS will acquire and develop needed resource data and technology and encourage accelerated adoption of practices to address air quality and green house gas emissions.

Long-Term Performance Measures

*Target:* To be established.

*Baseline:* To be determined.

**Key Outcome 6 — An Adequate Energy Supply:** Agriculture activities conserve energy and agricultural lands are a source of environmentally sustainable biofuels and renewable energy.

Increasing demand, the reliability, affordability, and sustainability of energy supplies will continue to be a concern. Agriculture's long-term energy strategy will include efforts to reduce demand through energy conservation and to develop alternative renewable energy supplies and technologies. Although NRCS has not yet quantified a long-term goal for its activities addressing energy concerns, the Agency assists with

energy issues by cooperating in the development of information and technology to promote energy management, integrate energy concerns into our planning assistance and programs, and encourage increased use of biofuels.

**Long-Term Performance Measures:**

*Target:* To be established.

*Baseline:* To be determined.

**Key Outcome 7 — Grassland, Rangeland and Forest Ecosystems:** Grassland, rangeland and forest ecosystems are productive, diverse, and resilient.

Healthy, vigorous plant communities on rangeland, native and naturalized pasture, and forest lands protect soil quality, prevent soil erosion, provide sustainable forage and cover for livestock and wildlife, provide fiber, improve water quality, provide diverse habitat for wildlife, and sequester carbon. Sustaining healthy grassland, rangeland, and forest ecosystems is achieved by focusing on interacting relationships between plant and animal species within a given ecosystem and their relationship to the physical features and processes of their environment. NRCS provides data and technical and financial assistance to people interested in creating, restoring, protecting and enhancing grassland, rangeland, and forest lands.

**Long-Term Performance Measures:**

*Target:* By 2010, farmers, ranchers, and private non-industrial forest landowners will apply management that will maintain or improve long-term vegetative condition on 150 million acres of grazing and forest land.

*Baseline:* In 1999, about 500 million acres of non-Federal grazing land and non-industrial forest were considered to be in minimal or degrading vegetative condition.

Performance Measure	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Target	2008 Target
Grazing land and forest land with conservation applied to protect and improve the resource base, million acres						
CTA	NA <sup>1</sup>	NA <sup>1</sup>	7.5	11.7	8.0	7.7
EQIP	NA <sup>1</sup>	NA <sup>1</sup>	8.0	12.2	13.0	13.0
CSP	NA <sup>2</sup>	0.4	2.3	1.3	0.06	0.06

<sup>1</sup> Performance data for this measure are not available prior to FY2005.

<sup>2</sup> Program did not exist in FY 2003.

Description of annual performance measures:

- **Grazing land and forest land with conservation applied to protect and improve the resource base.** This measure includes land on which a conservation system or practice is applied with NRCS technical assistance and/or financial assistance. The conservation applied includes a wide range of practices tailored to the resource conditions and producer's operation and goals on the specific site. The conservation practices applied help to protect the resource base against damage on-site and off-site.

**Key Outcome 8 — Fish and Wildlife Habitat:** Working lands and waters provide habitat for diverse and healthy wildlife, aquatic species, and plant communities.

Privately-owned and other non-Federal lands provide habitat for much of the Nation's wildlife. Protecting specific ecosystems and landscapes — including wetlands, grasslands, floodplains, and certain types of forests — can help support wildlife and aquatic species and provide benefits in the form of recreation,

hunting, and other forms of agri-tourism. NRCS provides technical and financial assistance to maintain and enhance fish and wildlife habitat on non-Federal lands.

**Long-Term Performance Measures:**

*Target:* By 2010, an additional 9 million acres of essential habitat will be improved and managed to benefit at-risk and declining species.

*Baseline:* In 2005, NRCS helped farmers and ranchers improve habitat for declining and at-risk species on 2 million acres

Performance Measure	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Target	2008 Target
Non-federal land with conservation applied to improve fish and wildlife habitat quality, million acres						
CTA	5.9	3.9	7.6	10.4	8.5	8.5
WHIP	0.5	0.2	0.25	0.2	0.2	0

Description of annual performance measures:

- **Non-federal land with conservation applied to improve fish and wildlife habitat quality.** The rural landscape provides critical habitat, food and safety for much of the Nation's wildlife. Many of the conservation practices that farmers and ranchers apply to cropland and grazing land improve the habitat those lands provide for wildlife. The measure includes both land where the primary land use is for wildlife habitat and land where the primary use is for production of crops, livestock, or forest products but the management also benefits wildlife.

**Key Outcome 9 — Wetlands:** Wetlands provide quality habitat for migratory birds and other wildlife, protect water quality, and reduce flood damage.

Wetlands provide wildlife habitat, protect and improve water quality, attenuate water flows due to flooding, and recharge ground water. In 2004, the President set a national goal to restore, create, enhance, and protect 3 million acres of wetlands by 2010. NRCS will assist in meeting this goal by supporting voluntary incentive-based approaches to wetland restoration, making wetland determinations, and conducting wetland compliance reviews.

**Long-Term Performance Measures:**

*Target:* By 2010, resource managers will create, restore, or enhance 1.5 million acres of wetlands on non-Federal lands.

*Baseline:* In 2003, there were 111 million wetland acres on non-Federal lands in the contiguous United States.

Performance Measure	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Target	2008 Target
Wetlands created, restored or enhanced, acres						
CTA	43,525	59,293	53,498	65,345	51,300	51,300
WRP	137,151	123,363	180,358	181,979	156,000	160,000
CRP	108,226	57,036	50,934	61,279	58,500	40,000
Farmland, forest land, and wetlands protected by conservation easements, acres	76,175	52,800	131,800	114,193	111,550	115,000

Description of annual performance measures:

- Wetlands created, restored or enhanced. Wetlands provide fish and wildlife habitat, reduce flooding, recharge groundwater, protect biological diversity, and improve water quality by filtering sediments and chemicals. This measure reports acres on which conservation practices have been applied to meet criteria in local field office technical guides. It includes only acres on which conservation was completed in a given fiscal year. It includes the wetland acres treated but not any associated upland acres treated or placed under easement to protect the wetland itself. It is, therefore, a more precise measure of changes in wetlands acreage than measures that include wetlands and associated uplands.
- Farmland, forest land, and wetlands protected by conservation easements. This measure reports on acres enrolled under permanent and 30-year easements registered at the courthouse during the specified fiscal year. This measure reflects wetland acreage only; however WRP protects these wetlands by also placing associated upland acreage under easement.

**NATURAL RESOURCES CONSERVATION SERVICE**  
**Full Cost by Strategic Objective**

**Strategic Objective 6.1: Protect Watershed Health to Ensure Clean and Abundant Water**

PROGRAM	PROGRAM ITEMS	AMOUNT (\$000)		
		FY 2006	FY 2007	FY 2008
<b>Conservation Technical Assistance</b>				
	Conservation Planning and Technical Consultation	\$94,124	\$89,008	\$89,670
	Conservation Implementation	43,322	40,967	41,272
	Natural Resource Inventory and Assessment	3,228	3,053	3,075
	Natural Resource Technology Transfer	35,719	33,778	34,029
	Indirect Costs	76,681	72,514	73,053
	Total Costs	\$253,074	\$239,320	\$241,099
	FTEs	2,148	2,054	1,924
	Performance measure: Comprehensive nutrient management plans applied			
	Performance, number	2,269	1,900	1,900
	Performance measure: Land with conservation applied to improve irrigation efficiency			
	Performance, acres	678,373	517,000	500,000
	Performance measure: Watershed or area-wide conservation plans developed			
	Performance, number	409	250	245
<b>Snow Survey &amp; Water Supply Forecasting</b>				
	Natural Resource Inventory and Assessment	\$6,991	\$7,020	\$7,134
	Indirect Costs	3,553	3,568	3,626
	Total Costs	\$10,544	\$10,588	\$10,760
	FTEs	65	65	61
	Performance measure: Water supply forecasts issued			
	Performance, number	11,534	11,400	11,400
	Performance measure: Water supply forecasts accuracy			
	Performance, index	0.62	0.62	0.63
<b>Plant Materials Centers</b>				
	Natural Resource Inventory and Assessment	\$5,761	\$5,833	\$5,991
	Natural Resource Technology Transfer	1,342	1,359	1,395
	Indirect Costs	3,339	3,381	3,472
	Total Costs	\$10,442	\$10,573	\$10,858
	FTEs	102	112	93
	Performance measure: New plant materials released to commercial growers			
	Performance, number	25	21	16
	Performance measure: Plant materials technical documents prepared and transferred to customers			
	Performance, number	427	295	300

**NATURAL RESOURCES CONSERVATION SERVICE**  
**Full Cost by Strategic Objective**

**Strategic Objective 6.1: Protect Watershed Health to Ensure Clean and Abundant Water**

PROGRAM	PROGRAM ITEMS	AMOUNT (\$000)		
		FY 2006	FY 2007	FY 2008
<b>Watershed Surveys &amp; Planning</b>				
	Conservation Planning and Technical Consultation	\$1,480	\$1,480	\$0
	Natural Resource Inventory and Assessment	85	85	0
	Indirect Costs	4,457	4,457	0
	<b>Total Costs</b>	<b>\$6,022</b>	<b>\$6,022</b>	<b>\$0</b>
	FTEs	44	43	0
	Performance measure: Watershed or area-wide conservation plans developed			
	Performance, number	79	7	0
<b>Flood Prevention Operations P.L. 534</b>				
	Conservation Planning and Technical Consultation	\$444	\$179	\$0
	Conservation Implementation	2,311	934	0
	Financial Assistance - Program Administration	149	60	0
	Financial Assistance - Cost Share & Monetary Incentives	5,940	1,900	0
	Indirect Costs	1,056	427	0
	<b>Total Costs</b>	<b>\$9,900</b>	<b>\$3,500</b>	<b>\$0</b>
	FTEs	28	16	0
	Performance measure: Long-term contracts completed during the fiscal year (all measures installed) for the purpose of water quality improvement			
	Performance, number	145	33	0
	Performance measure: Flood prevention or mitigation measures installed			
	Performance, number	16	1	0
<b>Watershed Operations P.L. 566</b>				
	Conservation Planning and Technical Consultation	\$3,316	\$2,319	\$0
	Conservation Implementation	12,091	8,455	0
	Financial Assistance - Program Administration	1,283	897	0
	Financial Assistance - Cost Share & Monetary Incentives	38,610	18,500	0
	Indirect Costs	9,050	6,329	0
	<b>Total Costs</b>	<b>\$64,350</b>	<b>\$36,500</b>	<b>\$0</b>
	FTEs	209	148	0
	Performance measure: Long-term contracts completed during the fiscal year (all measures installed) for the purpose of water quality improvement			
	Performance, number	317	250	0.14
	Performance measure: Flood prevention or mitigation measures installed			
	Performance, number	117	95	0
<b>Emergency Watershed Protection Program</b>				
	Conservation Implementation	\$33,297	\$0	\$0
	Financial Assistance - Program Administration	11,572	0	0
	Financial Assistance - Cost Share & Monetary Incentives	290,809	0	0
	Indirect Costs	15,277	0	0
	<b>Total Costs</b>	<b>\$350,955</b>	<b>\$0</b>	<b>\$0</b>
	FTEs	188	456	0

## NATURAL RESOURCES CONSERVATION SERVICE

## Full Cost by Strategic Objective

## Strategic Objective 6.1: Protect Watershed Health to Ensure Clean and Abundant Water

PROGRAM	PROGRAM ITEMS	AMOUNT (\$000)		
		FY 2006	FY 2007	FY 2008
<b>Watershed Rehabilitation Program</b>				
	Conservation Planning and Technical Consultation	\$3,472	\$2,788	\$1,212
	Conservation Implementation	2,572	2,066	898
	Financial Assistance - Program Administration	1,259	1,011	439
	Financial Assistance - Cost Share & Monetary Incentives	14,609	15,200	0
	Indirect Costs	9,333	7,494	3,258
	Total Costs	\$31,245	\$28,559	\$5,807
	FTEs	92	96	35
	Performance measure: Dams rehabilitated or removed			
	Performance, number	4	20	2
<b>Resource Conservation &amp; Development</b>				
	Conservation Planning and Technical Consultation	\$27,530	\$27,530	\$7,943
	Conservation Implementation	21,368	21,368	6,165
	Indirect Costs	1,889	1,889	545
	Total Costs	\$50,787	\$50,787	\$14,653
	FTEs	456	454	123
	Performance measure: Watershed or area-wide conservation plans developed			
	Performance, number	340	500	150
<b>Discretionary Total for Strategic Objective 6.1:</b>				
	Total Costs	\$787,319	\$385,849	\$283,177
	FTEs	3,332	3,444	2,236
<b>Environmental Quality Incentives Program</b>				
	Conservation Planning and Technical Consultation	\$19,028	\$23,204	\$23,898
	Conservation Implementation	64,287	78,395	80,742
	Financial Assistance - Program Administration	51,827	63,201	65,092
	Financial Assistance - Cost Share & Monetary Incentives	451,386	434,544	419,087
	Indirect Costs	8,902	10,856	11,181
	Total Costs	\$595,430	\$610,200	\$600,000
	FTEs	1,349	1,579	1,578
	Performance measure: Comprehensive nutrient management plans applied			
	Performance, number	2,774	3,000	3,000
	Performance measure: Land with conservation applied to improve irrigation efficiency			
	Performance, acres	730,631	700,000	700,000

## NATURAL RESOURCES CONSERVATION SERVICE

## Full Cost by Strategic Objective

## Strategic Objective 6.1: Protect Watershed Health to Ensure Clean and Abundant Water

PROGRAM	PROGRAM ITEMS	AMOUNT (\$000)		
		FY 2006	FY 2007	FY 2008
<b>Ground &amp; Surface Water</b>				
	Conservation Planning and Technical Consultation	\$2,773	\$3,522	\$0
	Conservation Implementation	8,137	10,337	0
	Financial Assistance - Program Administration	6,923	8,794	0
	Financial Assistance-Cost Share & Monetary Incentives	50,779	26,857	0
	Indirect Costs	1,173	1,490	0
	Total Costs	\$69,785	\$51,000	\$0
	FTEs	156	186	0
	Performance measure: Land with conservation applied to improve irrigation efficiency			
	Performance, acres	407,885	340,000	0
<b>Klamath Basin</b>				
	Conservation Planning and Technical Consultation	\$794	\$952	\$0
	Conservation Implementation	492	589	0
	Financial Assistance - Program Administration	1,814	2,174	0
	Financial Assistance-Cost Share & Monetary Incentives	8,057	2,177	0
	Indirect Costs	101	121	0
	Total Costs	\$11,258	\$6,013	\$0
	FTEs	28	30	0
	Performance measure: Land with conservation applied to improve irrigation efficiency			
	Performance, acres	38,444	30,000	0
<b>Conservation Security Program</b>				
	Conservation Planning and Technical Consultation	\$1,619	\$1,622	\$1,839
	Conservation Implementation	813	815	923
	Financial Assistance - Program Administration	14,160	14,189	16,081
	Financial Assistance - Cost Share & Monetary Incentives	109,225	110,075	136,090
	Indirect Costs	2,793	2,799	3,173
	Total Costs	\$128,610	\$129,500	\$158,106
	FTEs	156	159	175
	Performance measure: Land with conservation applied to improve irrigation efficiency			
	Performance, acres	270,000	32,000	32,000
<b>Agricultural Management Assistance</b>				
	Conservation Planning and Technical Consultation	\$183	\$430	\$0
	Conservation Implementation	466	1,095	0
	Financial Assistance - Program Administration	346	812	0
	Financial Assistance-Cost Share & Monetary Incentives	3,722	3,140	0
	Indirect Costs	223	523	0
	Total Costs	\$4,940	\$6,000	\$0
	FTEs	10	21	0
	Performance measure: Land with conservation applied to improve irrigation efficiency			
	Performance, acres	13,369	7,000	0



**NATURAL RESOURCES CONSERVATION SERVICE**  
**Full Cost by Strategic Objective**

**Strategic Objective 6.1: Protect Watershed Health to Ensure Clean and Abundant Water**

PROGRAM	PROGRAM ITEMS	AMOUNT (\$000)		
		FY 2006	FY 2007	FY 2008
<b>Farm &amp; Ranch Lands Protection Program</b>				
	Financial Assistance - Program Administration	\$1,268	\$1,789	\$0
	Financial Assistance-Cost Share & Monetary Incentives	70,233	45,420	0
	Indirect Costs	1,980	2,791	0
	Total Costs	\$73,481	\$50,000	\$0
	FTEs	22	30	0
	Performance measure: Farmland, forest land, and wetlands protected by conservation easements			
	Performance, acres	60,720	56,000	0
	Performance measure: Prime, unique, or important farmland protected from conversion to non-agricultural uses by conservation easements			
	Performance, acres	45,236	29,200	0
<b>Conservation Reserve Program</b>				
	Conservation Planning and Technical Consultation	\$14,546	\$14,974	\$10,856
	Conservation Implementation	21,060	21,681	15,718
	Financial Assistance - Program Administration	17,442	17,956	13,018
	Indirect Costs	1,349	1,389	1,007
	Total Costs	\$54,397	\$56,000	\$40,599
	FTEs	512	484	335
<b>Mandatory Total for Strategic Objective 6.1:</b>				
	Total Costs	\$937,901	\$908,713	\$798,705
	FTEs	2,233	2,489	2,088
<b>Total for Strategic Objective 6.1:</b>				
	Total Costs	\$1,725,220	\$1,294,562	\$1,081,882
	FTEs	5,565	5,933	4,324

## NATURAL RESOURCES CONSERVATION SERVICE

## Full Cost by Strategic Objective

## Strategic Objective 6.2: Enhance Soil Quality to Maintain Productive Working Cropland

PROGRAM	PROGRAM ITEMS	AMOUNT (\$000)		
		FY 2006	FY 2007	FY 2008
<b>Conservation Technical Assistance</b>				
	Conservation Planning and Technical Consultation	\$80,677	\$76,292	\$76,859
	Conservation Implementation	37,133	35,115	35,376
	Natural Resource Inventory and Assessment	2,767	2,616	2,636
	Natural Resource Technology Transfer	30,617	28,953	29,168
	Indirect Costs	65,727	62,155	62,617
	Total Costs	\$216,921	\$205,131	\$206,656
	FTEs	1,841	1,761	1,649
	Performance measure: Cropland with conservation applied to improve soil quality			
	Performance, million acres	6.4	6.0	6.0
<b>Soil Survey</b>				
	Natural Resource Inventory and Assessment	\$48,147	\$47,702	\$50,401
	Natural Resource Technology Transfer	11,213	11,109	11,738
	Indirect Costs	27,908	27,651	29,215
	Total Costs	\$87,268	\$86,462	\$91,354
	FTEs	810	808	808
	Performance measure: New or updated web soil surveys			
	Performance, number	126	80	60
	Performance measure: Soil surveys mapped or updated			
	Performance: million acres	35.5	32.5	35.0
<b>Discretionary Total for Strategic Objective 6.2:</b>				
	Total Costs	\$304,189	\$291,593	\$298,010
	FTEs	2,651	2,569	2,457
<b>Environmental Quality Incentives Program</b>				
	Conservation Planning and Technical Consultation	\$6,343	\$7,735	\$7,966
	Conservation Implementation	21,429	26,132	26,914
	Financial Assistance - Program Administration	17,276	21,067	21,697
	Financial Assistance - Cost Share & Monetary Incentives	150,462	144,848	139,696
	Indirect Costs	2,967	3,618	3,727
	Total Costs	\$198,477	\$203,400	\$200,000
	FTEs	450	526	526
	Performance measure: Cropland with conservation applied to improve soil quality			
	Performance, million acres	3.4	5.0	5.0

**NATURAL RESOURCES CONSERVATION SERVICE**  
**Full Cost by Strategic Objective**

**Strategic Objective 6.2: Enhance Soil Quality to Maintain Productive Working Cropland**

PROGRAM	PROGRAM ITEMS	AMOUNT (\$000)		
		FY 2006	FY 2007	FY 2008
<b>Conservation Security Program</b>				
	Conservation Planning and Technical Consultation	\$810	\$811	\$920
	Conservation Implementation	406	407	462
	Financial Assistance - Program Administration	7,080	7,094	8,040
	Financial Assistance - Cost Share & Monetary Incentives	54,612	55,037	68,045
	Indirect Costs	1,397	1,401	1,586
	<b>Total Costs</b>	<b>\$64,305</b>	<b>\$64,750</b>	<b>\$79,053</b>
	FTEs	78	80	88
	Performance measure: Cropland with conservation applied to improve soil quality			
	Performance, million acres	1.4	0.14	0.14
<b>Mandatory Total for Strategic Objective 6.2:</b>				
	Total Costs	\$262,782	\$268,150	\$279,053
	FTEs	528	606	614
<b>Total for Strategic Objective 6.2:</b>				
	Total Costs	\$566,971	\$559,743	\$577,063
	FTEs	3,179	3,175	3,071

**NATURAL RESOURCES CONSERVATION SERVICE**  
**Full Cost by Strategic Objective**

**Strategic Objective 6.3: Protect Forests and Grazing Land**

PROGRAM	PROGRAM ITEMS	AMOUNT (\$000)		
		FY 2006	FY 2007	FY 2008
<b>Conservation Technical Assistance</b>				
	Conservation Planning and Technical Consultation	\$53,785	\$50,862	\$51,240
	Conservation Implementation	24,755	23,410	23,584
	Natural Resource Inventory and Assessment	1,845	1,744	1,757
	Natural Resource Technology Transfer	20,411	19,302	19,445
	Indirect Costs	43,818	41,436	41,744
	<b>Total Costs</b>	<b>\$144,614</b>	<b>\$136,754</b>	<b>\$137,770</b>
	FTEs	1,228	1,174	1,099

Performance measure: Grazing and forest land with conservation applied to protect and improve the resource base

Performance, millions of acres

11.7      8.0      7.7

**Healthy Forests Reserve Program**

	Conservation Planning and Technical Consultation	\$471	\$471	\$472
	Conservation Implementation	225	225	225
	Financial Assistance - Program Administration	1,060	1,060	1,060
	Indirect Costs	719	719	719
	<b>Total Costs</b>	<b>\$2,475</b>	<b>\$2,475</b>	<b>\$2,476</b>
	FTEs	1	1	1

Performance measure: Farmland, forest land, and wetlands protected by conservation easements

Performance, acres

0      TBD      TBD

**Discretionary Total for Strategic Objective 6.3:**

Total Costs	\$147,089	\$139,229	\$140,246
FTEs	1,229	1,175	1,100

**Environmental Quality Incentives Program**

	Conservation Planning and Technical Consultation	\$4,757	\$5,801	\$5,975
	Conservation Implementation	16,072	19,599	20,185
	Financial Assistance - Program Administration	12,957	15,800	16,273
	Financial Assistance - Cost Share & Monetary Incentives	112,847	108,636	104,772
	Indirect Costs	2,225	2,714	2,795
	<b>Total Costs</b>	<b>\$148,858</b>	<b>\$152,550</b>	<b>\$150,000</b>
	FTEs	337	395	395

Performance measure: Grazing and forest land with conservation applied to protect and improve the resource base

Performance, millions of acres

12.2      13.0      13.0

## NATURAL RESOURCES CONSERVATION SERVICE

## Full Cost by Strategic Objective

## Strategic Objective 6.3: Protect Forests and Grazing Land

PROGRAM	PROGRAM ITEMS	AMOUNT (\$000)		
		FY 2006	FY 2007	FY 2008
<b>Conservation Security Program</b>				
	Conservation Planning and Technical Consultation	\$810	\$811	\$920
	Conservation Implementation	406	407	462
	Financial Assistance - Program Administration	7,080	7,094	8,040
	Financial Assistance - Cost Share & Monetary Incentives	54,612	55,037	68,045
	Indirect Costs	1,397	1,401	1,586
	Total Costs	\$64,305	\$64,750	\$79,053
	FTEs	78	80	88
	Performance measure: Grazing and forest land with conservation applied to protect and improve the resource base			
	Performance, millions of acres	1.3	0.06	0.06
<b>Grasslands Reserve Program</b>				
	Conservation Planning and Technical Consultation	\$554	\$795	\$0
	Conservation Implementation	263	378	0
	Financial Assistance - Program Administration	1,244	1,785	0
	Financial Assistance - Cost Share & Monetary Incentives	34,856	11,739	0
	Indirect Costs	844	1,210	0
	Total Costs	\$37,761	\$15,907	\$0
	FTEs	13	26	0
	Performance measure: Farmland, forest land, and wetlands protected by conservation easements			
	Performance, acres	37,126	89,920	0
<b>Mandatory Total for Strategic Objective 6.3:</b>				
	Total Costs	\$250,924	\$233,207	\$229,053
	FTEs	428	501	483
<b>Total for Strategic Objective 6.3:</b>				
	Total Costs	\$398,013	\$372,436	\$369,299
	FTEs	1,657	1,676	1,583

## NATURAL RESOURCES CONSERVATION SERVICE

## Full Cost by Strategic Objective

## Strategic Objective 6.4: Protect and Enhance Wildlife Habitat to Benefit Deared, At-Risk and Declining Species

PROGRAM	PROGRAM ITEMS	AMOUNT (\$000)		
		FY 2006	FY 2007	FY 2008
<b>Conservation Technical Assistance</b>				
	Conservation Planning and Technical Consultation	\$40,338	\$38,147	\$38,430
	Conservation Implementation	18,567	17,557	17,688
	Natural Resource Inventory and Assessment	1,383	1,308	1,318
	Natural Resource Technology Transfer	15,308	14,476	14,584
	Indirect Costs	32,863	31,077	31,308
	Total Costs	\$108,459	\$102,565	\$103,328
	FTEs	921	881	824
	Performance measure: Wetlands created, restored, or enhanced			
	Performance, acres	65,345	51,300	51,300
	Performance measure: Non-federal land with conservation applied to improve fish and wildlife habitat quality			
	Performance, million acres	10.4	8.5	8.5
<b>Discretionary Total for Strategic Objective 6.4:</b>				
	Total Costs	\$108,459	\$102,565	\$103,328
	FTEs	921	881	824
<b>Wetlands Reserve Program</b>				
	Conservation Planning and Technical Consultation	\$2,740	\$2,803	\$4,589
	Conservation Implementation	9,839	10,065	16,477
	Financial Assistance - Program Administration	9,466	9,683	15,853
	Financial Assistance - Cost Share & Monetary Incentives	161,923	233,812	406,250
	Indirect Costs	7,066	7,227	11,831
	Total Costs	\$191,034	\$263,590	\$455,000
	FTEs	198	203	326
	Performance measure: Wetlands created, restored or enhanced			
	Performance, acres	181,979	156,000	160,000
	Performance measure: Farmland, forest land, and wetlands protected by conservation easements			
	Performance, acres	114,193	111,550	115,000
<b>Environmental Quality Incentives Program</b>				
	Conservation Planning and Technical Consultation	\$1,586	\$1,934	\$1,992
	Conservation Implementation	5,357	6,533	6,728
	Financial Assistance - Program Administration	4,319	5,267	5,424
	Financial Assistance - Cost Share & Monetary Incentives	37,615	36,212	34,924
	Indirect Costs	742	904	932
	Total Costs	\$49,619	\$50,850	\$50,000
	FTEs	113	132	131
	Performance measure: Non-federal land with conservation applied to improve fish and wildlife habitat quality			
	Performance, million acres	0.8	0.1	0.1

## NATURAL RESOURCES CONSERVATION SERVICE

## Full Cost by Strategic Objective

## Strategic Objective 6.4: Protect and Enhance Wildlife Habitat to Benefit Desired, At-Risk and Declining Species

PROGRAM	PROGRAM ITEMS	AMOUNT (\$000)		
		FY 2006	FY 2007	FY 2008
<b>Wildlife Habitat Incentives Program</b>				
	Conservation Planning and Technical Consultation	\$1,568	\$2,188	\$0
	Conservation Implementation	3,165	4,414	0
	Financial Assistance - Program Administration	3,990	5,566	5,566
	Financial Assistance - Cost Share & Monetary Incentives	32,169	28,421	0
	Indirect Costs	1,729	2,411	0
	Total Costs	\$42,621	\$43,000	\$5,566
	FTEs	91	124	0
	Performance measure: Non-federal land with conservation applied to improve fish and wildlife habitat quality			
	Performance, million acres	0.2	0.2	0
<b>Conservation Reserve Program</b>				
	Conservation Planning and Technical Consultation	\$6,234	\$6,418	\$4,653
	Conservation Implementation	9,026	9,292	6,737
	Financial Assistance - Program Administration	7,475	7,695	5,579
	Financial Assistance - Cost Share & Monetary Incentives	0	0	0
	Indirect Costs	578	595	432
	Total Costs	\$23,313	\$24,000	\$17,401
	FTEs	219	207	143
	Performance measure: Non-federal land with conservation applied to improve fish and wildlife habitat quality			
	Performance, million acres	1.1	1.0	0.7
	Performance measure: Wetlands created, restored, or enhanced			
	Performance, acres	61,279	58,500	40,000
<b>Mandatory Total for Strategic Objective 6.4:</b>				
	Total Costs	\$306,587	\$381,440	0.14
	FTEs	621	666	600
<b>Total for Strategic Objective 6.4:</b>				
	Total Costs	\$415,046	\$484,005	\$103,328
	FTEs	1,542	1,547	1,424