

Conservation Compliance: *Safeguarding Environmentally Sensitive Farm and Ranch Land*

Without proper conservation measures, farm production on environmentally sensitive land can lead to critical environmental problems, including soil erosion, water pollution and loss of wildlife habitat. In 1985, Congress took action to protect environmentally sensitive land—including highly erodible cropland, wetlands and vulnerable land that has never been farmed—by tying eligibility for farm program support payments to a couple of basic requirements, known as “conservation compliance.” First, farmers with environmentally fragile land must adopt basic conservation measures to reduce soil erosion; and second, farmers must not drain wetlands for crop production. Farmers following these minimal requirements have been very effective at safeguarding the environment by reducing soil erosion and wetlands loss while maintaining robust agricultural production. In short, conservation compliance represents a simple agreement between the public and affected farmers: federal support in return for a basic measure of accountability.

An Important Conservation Tool May Be Lost

Conservation compliance is a simple, effective program that links public support for farmers with public environmental benefits. However, proposed changes in the farm support system threaten to greatly diminish or even eliminate this highly successful conservation program.

Many agricultural groups and members of Congress have called for making federally subsidized crop insurance the centerpiece of the farm support system in the future. Though conservation compliance was originally attached to the federal subsidy for crop insurance, it was removed in 1996. This means that as crop insurance becomes the primary farm support tool—and traditional payments are reduced or eliminated—farmers will have little to no incentive to continue following conservation compliance.

Strengthening Accountability and Stewardship for the Future

Reducing soil erosion and preserving wetlands will be even more important in the future as high food prices and a growing world population put increasing pressure on the land base, threatening our long-term food security. The nation cannot afford to backslide on protecting sensitive agricultural land, and American farmers must continue to be able to show accountability for public dollars. Conservation compliance must be maintained, modernized and strengthened.



The USDA attributes fully 25 percent of the reduction in soil erosion from 1982 to 1997 to the conservation compliance provisions.



- **Continuing environmental safeguards into the future:** Conservation compliance must be continued, regardless of how the farm safety net is structured. The most straightforward way to do this is to reestablish the link between the federal crop insurance subsidy and conservation compliance in the 2012 Farm Bill. Farmers who are out of compliance would still be able to buy crop insurance; they simply would not receive the government *premium support*. This would not be a new requirement: compliance would only attach to crop insurance for commodity producers, the vast majority of whom already fall under conservation compliance because of other USDA benefits they receive.
- **Modernizing enforcement to reflect technological progress:** The 25+ years of conservation compliance's history have seen major advances in technology for both production and conservation. Unfortunately, the conservation compliance system has not kept up, so farmers using modern techniques are sometimes hampered unnecessarily. We propose that the enforcement system be modernized using the latest technology, making it more accurate, less costly and up-to-speed with modern production. In addition, enforcement must move from the county level to the state level, so that county NRCS officials can focus on their role as conservation partners and not be hampered by an enforcement role. Highly-trained state-level enforcement teams in both NRCS and FSA will be more efficient, more objective and will have the capacity to respond to changes in on-farm technology, helping them keep up with innovative farmer-conservationists.
- **Realizing the full potential of conservation compliance:** For all of its successes, one major agro-environmental issue has persisted in spite of conservation compliance: the loss of native grasslands to crop production. Native grasslands are one of the rarest and most environmentally critical landscapes in the United States. They provide immense benefits to wildlife, water quality and air quality. The current compliance system does little to protect these lands, unless they are designated as "highly erodible," in which case farmers may still plow them up as long as they guard against soil erosion. We propose to fully protect native grasslands with a "Sodsaver" provision, which would make farmers ineligible for safety net payments on native grasslands that they use for crop production. Since this is a new requirement, we only propose attaching it to Title I, not to the crop insurance subsidy.

Preserving the Benefits of Conservation Compliance

Most farmers know and understand the current compliance standard, so it should not be a burden to simply maintain that standard and continue to apply it to commodity producers through the crop insurance program. American Farmland Trust believes that a modernized enforcement system can simultaneously work better for producers while improving accuracy and cutting costs. Finally, it does not make sense for taxpayers to subsidize plowing up native grasslands at the same time they pay to establish new grassland through conservation programs. As our country grapples with the debt crisis, these changes are one way to both ensure public accountability and defend spending on the producer safety-net. They would be good for farmers, taxpayers and the environment.



American Farmland Trust

For more information on this policy issue or for additional farm bill policy briefs, visit American Farmland Trust's farm bill website: www.farmlandfacts.org.