

Conservation for a Productive Future: *The Next Stage for the Conservation Reserve Program*

The Conservation Reserve Program (CRP) has been providing benefits to soil, water and wildlife across the country for more than 25 years. It is a proven program with a history of innovating during changing times. CRP has pioneered new tools that have increased environmental benefits and new initiatives to address critical pieces of the landscape, including stream banks, field edges, waterways and wetlands. Times have changed again, with demand for productive land soaring and federal budgets shrinking, so it is time for CRP innovation once again.

Status Quo: CRP at a Crossroads

High commodity prices will put tremendous pressure on farmers to convert some of the nearly 30 million CRP acres back into crop production. At the same time, both Congress and President Obama have recommended cutting billions of dollars from conservation programs. On top of this, nearly 10 million acres of CRP contracts are expiring in the next few years. All of these factors threaten the important benefits that CRP provides on the landscape. The 2012 Farm Bill must evolve CRP so that it can continue to promote healthy soil, clean water and abundant wildlife despite these challenges.

Farm the Best, Retire the Rest

Changing times have not altered the fact that some land cannot be farmed in an environmentally responsible manner; this is the land that should be in the CRP. That is why CRP eligibility is intended to be limited to environmentally sensitive land. However, six to seven million acres of existing CRP land could be farmed responsibly. This has caused some to call for farmers to be released from their CRP contracts early and without penalty, in order to address shortages in the grain supply. However, this move would be sure to press thousands if not millions of acres of sensitive land back into production. A more focused approach can do a better job of balancing the needs of production and conservation.

Flexibility Now, Benefits for Decades

Currently, if farmers wish to take their land out of CRP early, they have to pay back all of the money they have received, plus interest. American Farmland Trust (AFT) believes that a signed contract must be honored, so we oppose early outs without penalty. However, we also know that many



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farmers will choose to take the penalty and put their land back in production, with negative impacts on soil, water and wildlife. Therefore, we propose an alternative option for early release on the six to seven million farmable acres in the CRP. Rather than paying back the money, farmers on these acres should have the option to sign a 30-year contract to maintain basic conservation on their land, such as grassed waterways and buffer strips. This would provide long-term protection of the land as it returns to production. In order to ensure that the most sensitive acres remain protected, farmers should have the option to split their current CRP contracts, leaving the sensitive land in the program and taking this alternative early-release option on the productive land. Existing early-release penalties should still apply on sensitive land outside of the six to seven million farmable acres.

Focusing Future Enrollment and Re-enrollment on the Most Sensitive Lands

The CRP enrollment and re-enrollment process should be tightened to ensure that only the most environmentally sensitive lands are enrolled in the future. Whole-farm parcels should be split into more and less sensitive areas during the application process. In addition, the Environmental Benefits Index that is used to rank applications should be made more rigorous, providing greater emphasis on key erosion, water quality, air quality and wildlife benefits. This will insure that enrolled acres are providing the greatest environmental benefits consistent with the program purpose.

Integrating Production and Conservation

Another way to adapt CRP for a world of high prices is to allow more flexibility for production in conjunction with conservation. For example, native grasslands that have never been farmed should be made eligible for enrollment, in order to protect and restore wildlife habitat while maintaining productive grazing. Likewise, there should be greater flexibility for haying and grazing on CRP lands, in exchange for a lower rental payment, as long as these activities are managed to ensure conservation of soil, water quality and wildlife habitat. These changes would allow more acres to be enrolled at a lower rate, extending the benefits of CRP across the landscape while meeting producers' needs.

A Partner for Farmers

These changes would adapt the CRP to make it a true partner for modern agricultural producers and a key part of the working landscape. While many are focused on the ultimate size of the CRP, this number is less important than the program's ability to continue its important work: protecting land from water and wind erosion, keeping rivers and streams healthy, and creating millions of acres of wildlife habitat.



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