

Conservation Provisions in the 2014 Farm Bill (P.L. 113-79)

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Summary

The Agricultural Act of 2014 (2014 farm bill, P.L. 113-79) was enacted on February 7, 2014. After years of debate and deliberation, the enacted 2014 farm bill included a number of changes to the Conservation title (Title II), including program consolidation and reauthorization, amendments to conservation compliance, and a reduction in overall funding. Debate on the 2014 farm bill focused on a number of controversial issues. While many did not consider conservation to be controversial, nonetheless, a number of policy issues shaped the final version of the title and ultimately its role in the enacted farm bill.

Prior to the 2014 farm bill, there were over 20 distinct conservation programs. Discussion about simplifying or consolidating conservation programs to reduce overlap and duplication, and to generate savings, has continued for a number of years. The 2014 farm bill contained several program consolidation measures, including the repeal of 12 active and inactive programs, the creation of two new programs, and the merging of two programs into existing ones. Overall changes include the following.

- The act reauthorizes larger conservation programs through FY2018, including the Environmental Quality Incentives Program (EQIP), the Conservation Stewardship Program (CSP), and the Conservation Reserve Program (CRP).
- It authorizes a new Agricultural Conservation Easement Program (ACEP), which retains most of the program provisions in the repealed easement programs (Wetlands Reserve Program [WRP], easements under the Grasslands Reserve Program [GRP], and Farmland Protection Program [FPP]). ACEP establishes two types of easements: agricultural land easements and wetland reserve easements.
- It authorizes a new Regional Conservation Partnership Program (RCPP) from the repealed partnership programs (Agricultural Water Enhancement Program [AWEP], Cooperative Conservation Partnership Initiative [CCPI], Chesapeake Bay Watershed Program [CBWP], and Great Lakes Basin Program for soil erosion and sediment control [GLBP]). RCPP creates partnership opportunities to target and leverage federal conservation funding for specific areas and resource concerns.
- It incorporates other programs, such as the Wildlife Habitat Incentives Program (WHIP) and grazing contracts under GRP, into larger reauthorized programs—EQIP and CRP, respectively.

One of the most controversial issues in the 2014 farm bill debate was whether federal crop insurance subsidies should be included on the list of program benefits that could be lost if a producer were found to be out of compliance with conservation requirements on highly erodible land and wetlands. Ultimately the 2014 farm bill did add federal crop insurance subsidies to the list of benefits that could be lost and extended limited protection for native sod in select states.

The 2014 farm bill also reduced funding for the Conservation title by \$3.97 billion over 10 years. Most farm bill conservation programs are authorized to receive mandatory funding, and the Conservation title makes up 6% of the total farm bill 10-year baseline, or \$58 billion of the total \$956 billion in mandatory funding authorized in the 2014 farm bill.

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associated with production and environmental concerns on the farm. By the 1980s, agricultural conservation policies broadened to include environmental issues beyond soil and water, especially issues related to production (off the farm). Many of the current agricultural conservation programs were enacted as part of the 1985 farm bill (P.L. 99-198, Food Security Act of 1985). These programs have been reauthorized, modified, and expanded, and several new programs have been created, particularly in subsequent omnibus farm bills. While the number of programs has increased and new techniques to address resource problems continue to emerge, the basic approach has remained unchanged—voluntary farmer participation encouraged by financial and technical assistance, education, and basic and applied research.

The Conservation title (Title II) of the Agricultural Act of 2014 (P.L. 113-79), the 2014 farm bill, was largely uncontroversial. Both the House-passed farm bill (H.R. 2642) and the Senate-passed farm bill (S. 954) reauthorized many of the largest conservation programs and consolidated others to create new ones. The major difference between the two bills was the extension of conservation compliance provisions to the federally funded portion of crop insurance and the total reduction in funding for the title. Total mandatory spending for the title is projected at \$28.3 billion over 5 years (FY2014-FY2018) and \$57.6 billion over 10 years (FY2012-FY2023). The estimated spending impact of the 2014 farm bill's Conservation title is projected to decrease by \$208 million over 5 years and close to \$4.0 billion over 10 years.

Policy Issues Shaping the Conservation Title

Agricultural conservation has been a stand-alone title in farm bills beginning with the Agriculture and Food Act of 1981 (1981 farm bill, P.L. 97-98). Its significance has grown with each passing omnibus farm bill. Debate on the 2014 farm bill focused on a number of controversial issues. While many did not consider conservation to be controversial, nonetheless, a number of policy issues shaped the final version of the title and ultimately its role in the enacted farm bill.

Simplifying the Conservation Portfolio

Before the 1985 farm bill, few conservation programs existed and only two would be considered large by today's standards. Prior to the 2014 farm bill, there were over 20 distinct conservation programs with annual spending greater than \$5 billion. The differences and number of these programs created general confusion about the purpose, participation, and policies of the programs (see below for a list of conservation program acronyms). Discussion about simplifying or consolidating conservation programs to reduce overlap and duplication, and to generate savings, has continued for a number of years. The 2014 farm bill contained several program consolidation measures, including the repeal of 12 active and inactive programs, the creation of two new programs, and the merging of two programs into existing ones. Specific programmatic changes are discussed further in the "Program Changes" section.

¹ All farm bill conservation programs are administered by the U.S. Department of Agriculture's (USDA's) Natural Resources Conservation Service (NRCS), with the exception of the Conservation Reserve Program (CRP), which is administered by USDA's Farm Service Agency (FSA).

Acronyms

ACEP Agricultural Conservation Easement Program

AMA Agricultural Management Assistance program

AWEP Agricultural Water Enhancement Program (subprogram of EQIP)

CBWP Chesapeake Bay Watershed Program

CCEP Comprehensive Conservation Enhancement Program
CIG Conservation Innovation Grants (subprogram of EQIP)

CREP Conservation Reserve Enhancement Program (subprogram of CRP)

CRP Conservation Reserve Program
CSP Conservation Stewardship Program

CCPI Cooperative Conservation Partnership Initiative

EFCRP Emergency Forestry Conservation Reserve Program (subprogram of CRP)

EPP Environmental Easement Program

EQIP Environmental Quality Incentives Program

FV Farm Viability

FW Farmable Wetlands program (subprogram of CRP)

FPP Farmland Protection Program

GRP Grassland Reserve Program

GLBP Great Lakes Basin Program

HFRP Healthy Forest Reserve Program

RCPP Regional Conservation Partnership Program

Sodbuster Highly Erodible Land Conservation

Sodsaver Crop Production on Native Sod

Swampbuster Wetland Conservation

VPAHIP Voluntary Public Access and Habitat Incentive Program

WRP Wetlands Reserve Program

WHIP Wildlife Habitat Incentives Program

Compliance Requirements

Federal policies and programs traditionally have offered voluntary incentives to producers to plan and apply resource-conserving practices on private lands. It was not until the 1985 farm bill that Congress took an alternative approach to agricultural conservation with the enactment of highly erodible land conservation (sodbuster) and wetland conservation (swampbuster)—collectively known as "conservation compliance." Both provisions remain significant today and require that in exchange for certain U.S. Department of Agriculture (USDA) program benefits, including commodity support payments, disaster payments, farm loans, and conservation program payments, to name a few, a producer agrees to maintain a minimum level of conservation on highly erodible land and to not convert wetlands to crop production. One of the most controversial issues in the 2014 farm bill debate was whether federal crop insurance subsidies should be included on the list of program benefits that could be lost if a producer were found to be out of compliance. Ultimately the 2014 farm bill did add federal crop insurance subsidies to

the list of benefits that could be lost and extended limited protection for native sod in select states (sodsaver). Specific programmatic changes are discussed further in the "Compliance Programs" section below.

Change in Program Type

Land retirement programs (e.g., the Conservation Reserve Program, CRP) provide producers with financial incentives to temporarily remove from production and restore environmentally sensitive land. In contrast, working lands programs (e.g., the Environmental Quality Incentives Program, EQIP) allow land to remain in production and provide producers with financial incentives to adopt resource-conserving practices. Over time, high commodity prices, changing land rental rates, and new conservation technologies have led to a shift in farm bill conservation policy away from the more traditional land retirement programs toward an increased focus on conservation working lands programs. Some of this shift has already occurred in the last decade and was continued in the 2014 farm bill as the percentage of mandatory program funding for land retirement programs has declined relative to working lands programs (see **Figure 1**).

Most conservation and wildlife organizations support both land retirement and working lands programs; however, the appropriate "mix" continues to be debated. Some are still divided between shorter-term land retirement programs such as CRP and longer-term easement programs such as the new wetland reserve easements under the Agricultural Conservation Easement Program (ACEP). Unlike land retirement programs, easement programs impose a permanent or longer-term land-use restriction that is voluntarily placed on the land in exchange for a government payment. Supporters of easement programs cite a more cost-effective investment in sustainable ecosystems for long-term wildlife benefits. Short-term land retirement program supporters cite the increased flexibility, which can generate broader participation than permanent or long-term easement programs.

2002 Farm Bill 2014 Farm Bill 2008 Farm Bill Other Other Other 1% Working Land Land Working Working Retirement Retirement Land Land Land Retirement 50% 54% Easement Easement Easement 11% 13%

Figure 1. Farm Bill Conservation Programs by Type

(2002, 2008, and 2014 farm bills)

Source: CRS. Compiled from funding levels in annual appropriations, CBO baseline projections, and the CBO conference agreement score, http://www.cbo.gov/sites/default/files/cbofiles/attachments/hr2642LucasLtr.pdf.

Notes: Figures include mandatory funding for farm bill authorized conservation programs. The 2002 and 2008 farm bill charts cover the period after enactment to the next bill's passage and are adjusted for reductions, rescissions, and sequestration. The 2014 farm bill chart is based on the CBO estimate of direct spending for the life of the farm bill (FY2014-FY2018). Funding for conservation education, extension and research, and discretionary spending are not included.

There has also been a rising interest in programs that partner with state and local communities to target conservation funding to local areas of concern. These partnership programs leverage private funding with federal funding to multiply the level of assistance in a select area. A number of these partnership programs were repealed in the 2014 farm bill and replaced with the new Regional Conservation Partnership Program (RCPP). RCPP is designed to allow local organizations to partner with USDA to address resource concerns specific to that area. Partners are required to supply a significant portion of the overall cost of the project.

Budget and Baseline

Most farm bill conservation programs are authorized to receive mandatory funding. The Conservation title makes up 6% of the total projected farm bill spending, or \$58 billion of the total \$956 billion in 10-year mandatory funding authorized in the 2014 farm bill.² Like many titles in the farm bill debate, discussion was driven in part by the need for budget reduction. While a few titles did receive an increase in authorized mandatory funding over the projected baseline, three major titles did not, including Conservation.³ Ultimately the Conservation title was reduced by \$3.97 billion over 10 years, or 24% of the total \$16.5 billion in savings (see **Figure 2**).⁴ If the baseline to write the 2014 farm bill had not been reduced by sequestration, the enacted 2014 farm bill could have been credited for reducing conservation spending by about \$6 billion over 10 years. But sequestration had already been factored into the baseline, so the official CBO score remains at \$3.97 billion reduction from the Conservation title.⁵

In addition to sequestration, other budgetary dynamics may have an effect on farm bill conservation programs in the future. Since the 1996 farm bill, the number and size of conservation programs receiving mandatory funding has continued to grow. Currently the level of mandatory spending for conservation is roughly five times that of discretionary spending for conservation. For more than a decade, appropriators have placed limits on mandatory spending authorized in the farm bill, including a number of conservation programs. These limits are also known as CHIMPS, "changes in mandatory program spending." Many of these mandatory programs usually are not part of the appropriations process since funding is authorized in the farm bill for a specific time period (FY2014-FY2018) and is assumed to be available based on the statute and without further congressional action. Most of these conservation spending reductions, however, were at the request of both the Bush and Obama Administrations. The mix of programs and amount of reduction has varied from year to year. Some programs, such as CRP, have not been reduced by appropriators in recent years, while others, such as EOIP, have been repeatedly reduced below authorized levels. Even with these reductions, total mandatory funding for conservation programs has remained relatively constant at around \$5 billion annually for the past five years. Conservation advocates are concerned that future CHIMPS would further deepen the cuts made by potential future sequestration and the 2014 farm bill reductions.

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² Letter from Douglas W. Elmendorf, Director, CBO, to Honorable Frank D. Lucas, Chairman House Committee on Agriculture, January 28, 2014, http://www.cbo.gov/publication/45049. The CBO baseline is an estimate (projection) at a particular point in time of what future federal spending on mandatory programs would be under current law.

³ The other two titles reduced in the 2014 farm bill were Nutrition (Title IV) and Commodities (Title I).

⁴ The House-passed farm bill (H.R. 2642) would have reduced Title II funding by \$4.83 billion over 10 years, compared to the Senate-passed farm bill (S. 954), which proposed a reduction of \$3.51 billion over 10 years.

⁵ The projected impact of sequestration was released by CBO in the May 2013 baseline for farm bill programs, and the 2013 scores of the House and Senate farm bill proposals. For more information, see CRS Report R42484, *Budget Issues That Shaped the 2014 Farm Bill*.

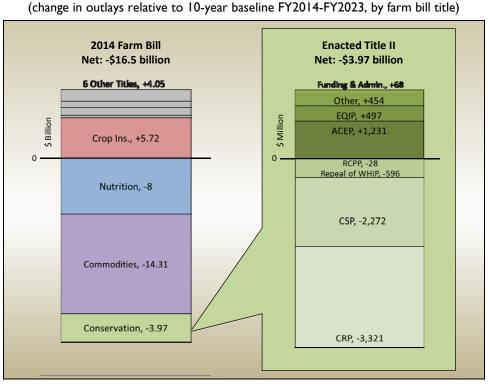


Figure 2. Budget Scores of the 2014 Farm Bill

Source: CRS, using CBO cost estimates available at http://www.cbo.gov/publication/45049. For additional information, see CRS Report R42484, *Budget Issues That Shaped the 2014 Farm Bill.*

Notes: The CBO baseline is an estimate (projection) at a particular point in time of what future federal spending on mandatory programs would be under current law. The proposed changes to a current law are "scored" by CBO as either savings (negative, below the baseline) or spending (positive, above the baseline), as shown in this figure. The green shaded area provides more detail about the Conservation title and is not to scale. The Conservation title is stated in millions of dollars, whereas the remaining chart is stated in billions of dollars. A list of acronyms may be found on page 2.

Program Changes

The 2014 farm bill reauthorized, repealed, consolidated, and amended a number of conservation programs. Generally, farm bill conservation programs can be grouped into the following categories based on similarities: working land programs, land retirement programs, easement programs, conservation compliance programs, and other programs and overarching provisions (see **Table 1** and page 2 for a list of conservation program acronyms). Most of these programs are authorized to receive mandatory funding (i.e., they do not require an annual appropriation) and include authorities that expire with other farm bill programs at the end of FY2018. Other types of conservation programs—such as watershed programs, emergency programs, and technical assistance—are authorized in other non-farm bill legislation. Most of these programs have permanent authorities and receive appropriations annually through the discretionary appropriations process. These programs are not generally addressed in the context of a farm bill and are not covered in detail in this report, except for cases where the 2014 farm bill made amendments to the program.

Table I. USDA Agricultural Conservation Programs by Category

(after enactment of the 2014 farm bill, P.L. 113-79)

Farm Bill Agricultural Conservation Programs^a

Working Lands Programs—allow private land to remain in production, while implementing various conservation practices to address natural resource concerns specific to the area.

EQIP, CSP, AMA

Land Retirement Programs—provide federal payments to agricultural landowners for temporary changes in land use or management to achieve environmental benefits.

CRP (CREP, FW)

Easement Programs—impose a permanent land-use restriction that is voluntarily placed on the land in exchange for a government payment.

ACEP, HFRP

Compliance—prohibits a producer from receiving most federal farm program benefits (including conservation assistance) when conservation requirements for highly erodible lands and wetlands are not met.

• Highly erodible land conservation (sodbuster), wetland conservation (swampbuster), and sodsaver

Other Conservation Programs—programs that do not fit easily into the above categories. They are either regionally specific, use existing conservation program funds as leverage for partnership agreements with non-federal funding, or provide grants to states or research organizations.

RCPP, CIG, VPAHIP

Non-Farm Bill Conservation Programs^b

Technical Assistance Programs—provide landowners with science-based conservation information and technical expertise (e.g., engineering and biological) unique to the region and land use type. Usually do not include financial assistance.

 Conservation Operations (includes Conservation Technical Assistance, Survey, Soil Survey, Grazing Lands Conservation Initiative, and Plant Materials Centers)

Emergency Programs—provide disaster assistance for farmland rehabilitation and impairments to watersheds. Programs are usually funded through supplemental appropriation acts.

 Emergency Conservation Program (ECP) Emergency Watershed Protection (EWP) program (includes floodplain easements) and Emergency Forest Restoration Program (EFRP)

Watershed Programs—partner with local sponsors to carry out activities for soil conservation; flood prevention; conservation, development, utilization, and disposal of water; watershed surveys; and dam and flood structure rehabilitation.

Watershed and Flood Prevention Operations (also referred to as the Small Watershed Programs, P.L. 566 and P.L. 534), and Watershed Rehabilitation program.

Source: CRS.

Notes: A list of acronyms may be found on page 2.

- a. Generally, these programs originated or are reauthorized in farm bills. The 2014 farm bill repealed and consolidated a number of programs reflected in this table. Amendments to remaining programs are not reflected.
- b. Generally, these programs originated outside of farm bill legislation and are considered to be in categories separate from most farm bill programs. Amendments to these programs may occur in farm bills, but those changes are not reflected in this table.

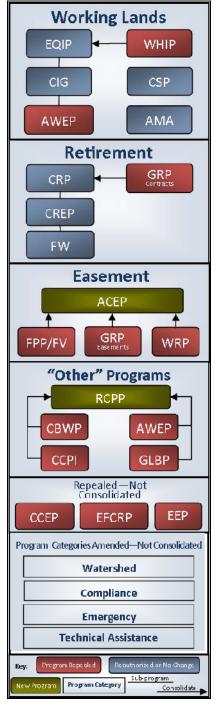


Figure 3. Conservation Program Consolidation in the 2014 Farm Bill

Source: CRS.

Notes: For a list of acronyms see page 2.

General programmatic amendments, reauthorizations, and consolidations are discussed in the sections below. The **Appendix** provides a series of tables detailing the changes enacted in the 2014 farm bill as compared to prior law. The 2014 farm bill included several program consolidation measures, including the repeal of 12 active and inactive programs, the creation of two new programs, and the merging of two programs into existing ones. **Table 1** and **Figure 3** illustrate these consolidation measures.

Working Lands Conservation **Programs**

Working lands conservation programs are typically classified as programs that allow private land to remain in production, while implementing various conservation practices to address natural resource concerns specific to the area. Program participants receive some form of conservation technical assistance and planning to guide the decision on the most appropriate practices to apply, given the natural resource concerns and land condition. If selected, participants receive federal financial support to defray a portion of the cost to install or maintain the vegetative, structural, or management practices agreed to in the terms of the contract.

The two main working lands programs are the Environmental Quality Incentives Program (EQIP) and the Conservation Stewardship Program (CSP). Other working lands programs, such as the Wildlife Habitat Incentives Program (WHIP) and Agricultural Water Enhancement Program (AWEP), were repealed and incorporated into either new or existing programs. The Agricultural Management Assistance (AMA) program is generally amended in Title XI (Crop Insurance) because its original authorizing statute resides in the Federal Crop Insurance

Act. However, 50% of the funding is used as a conservation working lands program. Both the House- and Senate-passed farm bills included amendments to AMA, but none were adopted in the conference agreement.

Environmental Quality Incentives Program

The 2014 farm bill reauthorized and amended EQIP at a total of \$8 billion between FY2014 and FY2018. The program provides financial and technical assistance to producers and landowners to plan and install structural, vegetative, and land management practices on eligible lands to alleviate natural resource problems. Eligible producers enter into contracts to receive payment for implementing conservation practices. Approved activities are carried out according to an EQIP plan developed in conjunction with the producer that identifies the appropriate conservation practice(s) to address resource concerns on the land. The program is reauthorized through FY2018 with a graduating level of mandatory funding—\$1.35 billion (FY2014); \$1.6 billion (FY2015); \$1.65 billion (FY2016-FY2017); and \$1.75 billion (FY2018). A similar progression was authorized in the 2008 farm bill; however, EQIP funding has been reduced in the annual appropriations process (CHIMPS) since 2003, and has never received its full authorized level of funding (see "Budget and Baseline" discussion above).

One of the major changes to EQIP in the 2014 farm bill was the incorporation of the WHIP. WHIP provided technical and financial assistance to private landowners to develop upland wildlife, wetland wildlife, threatened and endangered species, fish and other types of wildlife habitat. The program operated very similarly to EQIP, but had a direct focus on improving wildlife habitat. The 2014 farm bill repeals WHIP and amends EQIP to require that 5% of total EQIP payments benefit wildlife habitat. Other elements of WHIP are also incorporated, including the requirement for consulting with State Technical Committees annually to determine eligible wildlife habitat practices. The farm bill also reauthorizes the requirement that 60% of all EQIP payments benefit livestock. The two EQIP subprograms—AWEP and Conservation Innovation Grants (CIG)—are discussed further below. A detailed analysis of EQIP changes may be found in **Table A-3**.

Conservation Stewardship Program

The 2014 farm bill also reauthorized and amended CSP. The program provides financial and technical assistance to producers to maintain and improve existing conservation systems, and adopt additional conservation activities. Under CSP, participants must meet a "stewardship threshold" for a set number of priority resource concerns when they apply for the program, and then must agree to meet or exceed the stewardship threshold for additional priority resource concerns by the end of the five-year contract. In exchange, participants receive annual payments that are based, in part, on conservation performance. The program is limited by the number of acres available for enrollment each fiscal year, not total funding. Enrollment is offered through a continuous sign-up and applications are accepted year-round.

The 2014 farm bill amended CSP by making a whole-program substitution of statutory text. This did not mean, however, that all elements of the program changed as a result of the amendment. Primarily the changes reorganized the statutory language and refocused the program on

⁶ 7 U.S.C. 1524(b).

generating additional conservation benefits. The amendments also raise the entry bar for participants, who are now required to address two priority resource concerns upon entry and meet or exceed one additional priority resource concern by the end of the contract. Contract renewal participants must meet the threshold for two *additional* priority resources concerns *or exceed* the threshold for two existing priority resource concerns. The 10% limitation on nonindustrial private forest land was lifted and flexible transition options are available for land coming out of CRP.

Another major change was the reduction in enrollable acres. Under the 2008 farm bill, CSP could enroll up to 12.769 million acres annually. The FY2014 farm bill reduces this to 10 million acres annually. This reduction creates an estimated \$2.272 billion in savings over 10 years (see **Figure 2**). CSP was reduced in FY2011 and FY2012, when appropriators placed limits on mandatory spending (CHIMPS). The program was further reduced in FY2013 by sequestration. If these reductions continue, then the lower 10 million acre cap authorized in the farm bill would continue to slow program growth. At the end of FY2013, 59 million acres were enrolled in CSP. A detailed analysis of the programmatic changes may be found in **Table A-2**.

Land Retirement Programs

Land retirement programs provide federal payments to private agricultural landowners for *temporary* changes in land use or management to achieve environmental benefits. The primary land retirement program—the Conservation Reserve Program (CRP)—was reauthorized to enroll a decreasing number until FY2018. Other sub-programs of CRP, such as the Farmable Wetlands (FW) program, were also reauthorized and amended.

Conservation Reserve Program

CRP is the largest federal, private-land retirement program in the United States, spending more than \$2 million annually. The program provides financial compensation for landowners (annual rental rate) to voluntarily remove land from agricultural production for an extended period (typically 10 to 15 years) for the benefit of soil and water quality improvement and wildlife habitat. The 2014 farm bill reauthorized CRP and reduced the enrollment cap from the previous 32 million acres to 24 million acres in FY2018. While CRP enrollment has fluctuated since its creation in the 1985 farm bill, recent enrollment has declined from its peak in FY2007 (with 36.8 million acres enrolled) to 25.6 million acres in FY2013. Further reduction in the farm bill was viewed as inevitable, given the fiscal challenges. Conservation and wildlife groups, however, remain concerned that reduced enrollment will impact critical species habitat and soil and water quality. Others point to the reduced enrollment as a product of high commodity prices, low rental rates, and declining interest in retiring land from production. The 2014 farm bill enrollment reduction created an estimated savings of \$3.3 billion over 10 years.

The 2014 farm bill made several amendments to CRP, mostly centered on permitted activities. Emergency harvesting, grazing, and other use of forage are permitted, in some cases, without a reduction in rental rate, as well as livestock grazing for a beginning farmer or rancher. Other approved activities, such as annual or routine grazing, may continue to require a reduction in rental rate. The 2014 farm bill repealed the Grassland Reserve Program (GRP) and incorporated grassland contracts, similar to what was repealed under GRP, into CRP. The 2014 farm bill also allows CRP participants the opportunity to terminate their contract early if the land has been

enrolled longer than five years and does not contain environmentally sensitive practices. A detailed analysis of the programmatic changes may be found in **Table A-1**.⁷

Easement Programs

Conservation easements impose a *permanent* land-use restriction that is voluntarily placed on the land in exchange for a government payment. The 2014 farm bill repealed the conservation easement programs—Wetlands Reserve Program (WRP), Farmland Protection Program (FPP), and GRP—and created a new Agricultural Conservation Easement Program (ACEP).

Agricultural Conservation Easement Program

The three repealed easement programs had similar but slightly different goals. All three programs were voluntary and sought to protect land from development by using permanent or long-term easements to achieve this goal. Participants were compensated based on a fair market easement value of the conservation easement. All three programs provided technical assistance and required some form of conservation planning and conservation practice adoption. The major distinctions among the three conservation easement programs were the type of land protected; whether production was allowed; the duration of the protection; and who held the easement. More information on these repealed programs is provided in the text box below.

Overview of Repealed Conservation Easement Programs

Wetlands Reserve Program (WRP)—WRP funded the purchase of easements (30 years or permanent), restoration agreements (usually 10 years in length), and 30-year contracts to assist land owners in protecting and restoring wetlands. It provided technical and financial assistance, and emphasized restoration to original natural wetland conditions where possible. The program was authorized to enroll up to 3.014 million acres at any one time nationwide.

Farmland Protection Program (FPP)—FPP provided funds to state, tribal, and local governments and non-governmental organizations to help them purchase conservation easements from willing sellers to limit conversion of farmland to nonagricultural uses. USDA provided up to 50% of the fair market value of the conservation easement. The program was authorized to receive \$200 million of mandatory funding in FY2014.

Grassland Reserve Program (GRP)—GRP used long-term rental agreements and easements to help landowners and producers restore and protect grasslands while maintaining them in a condition suitable for grazing using common management practices. Participants voluntarily limited future development and cropping uses of the land while retaining the right to conduct common grazing practices and operations related to the production of forage and seeding, subject to certain restrictions during nesting seasons of bird species in significant decline or protected under federal or state law. A grazing management plan was required for participants. GRP was authorized to enroll up to 1.22 million acres between FY2009 and FY2012.

The 2014 farm bill provides permanent baseline funding for ACEP. Funding became an issue when the 2008 farm bill was not reauthorized and easement programs such as WRP and GRP did not have baseline funding.⁸ This meant that farm bill extensions did not restore funding for the

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⁷ Additional information about CRP may be found in CRS Report R42783, *Conservation Reserve Program (CRP): Status and Issues.*

⁸ Further explained in CRS Report R41433, *Expiring Farm Bill Programs Without a Budget Baseline*.

programs, thus leaving them inactive until reauthorized. While permanent funding was seen as a victory by many, others pointed out that total funding for the three repealed programs (WRP, GRP, and FPP) was higher in the previous five years than the total authorized level for ACEP for the next five years. Additionally, the enacted level of funding for ACEP was less than the levels in both the House- and Senate-passed farm bills.

ACEP retains most of the program provisions in the repealed easement programs by establishing two types of easements: agricultural land easements (similar to FPP and GRP) that limit non-agricultural uses on productive farm or grass lands, and wetland reserve easements (similar to WRP) that protect and restore wetlands. General program provisions are the same across both easement types, including ineligible land; subordination, exchange, modification, and termination procedures; and compliance requirements. Priority enrollment is given to expiring CRP acres.

Agricultural Land Easements

Similar to FPP, ACEP requires USDA to enter into partnership agreements with eligible entities to purchase agricultural land easements. Agreements with certified entities ¹⁰ are a minimum of five years with a review and recertification required every three years thereafter. Agreements with non-certified entities are three to five years in length. The entities agree to share the cost of the easement; purchase easements according to USDA's requirements; and enforce and monitor easements purchased. Also similar to the repealed FPP and GRP easements, agricultural land easements allow production to continue on the land while prohibiting nonagricultural uses.

ACEP provides funding to purchase easements through eligible entities and provides technical assistance for developing an agricultural land easement plan. The federal share of the easement may not exceed 50% of the fair market value¹¹ of the easement. The nonfederal share must be provided by the eligible entity and should be equivalent to the USDA share. Up to 50% of the nonfederal share may be a charitable donation or qualified conservation contribution from the private landowner, assuming the remaining nonfederal share is a cash contribution from the eligible entity. These cost-share requirements may be waived for grasslands of "special environmental significance." In this case, the federal share may be up to 75% of the fair market value of the easement and the nonfederal share cash requirement may be waived entirely. Agricultural land easements are permanent or for the maximum duration allowed under state law.

Wetland Reserve Easements

Much like WRP, wetland reserve easements are used to restore, protect, and enhance wetlands through the use of 30-year or permanent easements, or the use of 30-year contracts for Indian tribes. Landowners who have owned the land for at least 24 months prior to enrollment may submit an offer to USDA that will be evaluated based on its conservation benefits, cost effectiveness, and financial leverage. If selected, the landowner agrees to restore and maintain the

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⁹ Further explained in CRS Report R42442, Expiration and Extension of the 2008 Farm Bill.

¹⁰ Certified entities are defined in statute as having a plan for administering easements that is consistent with the purposes of the program, the capacity and resources to enforce and monitor easements, and policies and procedures to protect the integrity of the easements and complete timely acquisitions and evaluations of such easements.

¹¹ The value may be determined using the Uniform Standards of Professional Appraisal Practice, an area-wide market analysis or survey, or another industry-approved method.

wetland according to an approved wetland reserve easement plan. USDA, in return, provides technical and financial assistance for wetland restoration. ¹² Landowners are compensated for the wetland reserve easement based on the fair market value of the land ¹³ and the length of the easement or contract. ¹⁴ USDA is also allowed to delegate the management, monitoring, and enforcement responsibilities of a wetland reserve easement to a separate authority.

A comparison of repealed program provisions (where applicable) to the new ACEP provisions may be found in **Table A-4**.

Other Conservation Programs

Regional Conservation Partnership Program

Similar to the consolidation of the easement programs, the 2014 farm bill consolidated a number of the "other" conservation programs that provided partnership opportunities or multi-state funding for watershed-scale projects. The Regional Conservation Partnership Program (RCPP) creates partnership opportunities to target and leverage federal conservation funding for specific areas and resource concerns. A number of eligible activities are defined in statute. However, consistent with the repealed programs, water quantity and water quality concerns continue to have a large presence in RCPP.

RCPP incorporates the Agricultural Water Enhancement Program (AWEP), the Cooperative Conservation Partnership Initiative (CCPI), the Chesapeake Bay Watershed Program (CBWP), and the Great Lakes Basin Program for soil erosion and sediment control (GLBP). Both AWEP and CCPI utilized partnership agreements to focus conservation program funds to targeted areas. The CBWP provided additional funds through existing conservation programs in the Chesapeake Bay watershed. The GLBP also targeted funding to a specific watershed, but unlike the other three programs, the GLBP did not receive mandatory funding and was last funded through appropriations in FY2010.¹⁵

RCPP uses 7% of available conservation program funds plus an additional \$100 million annually in mandatory funding to address specific natural resource concerns in selected project areas. Project areas are defined by eligible partners and are selected through a competitive state or national competition. Partnership agreements (known as Regional Conservation Partnerships, RCPs) are for five years with a possible one-year extension. In addition to defining the project area, providing assistance, and possibly acting on behalf of the producers within the project area,

¹² Permanent easements are eligible for not less than 75% and not more than 100% of the restoration costs. 30-year contracts and 30-year easements are eligible for not less than 50% and not more than 75% of the restoration costs.

¹³ Compensation is based on the lowest of: 1) the fair market value, 2) a geographical cap determined by USDA, or 3) the offer made by the landowner.

¹⁴ Thirty-year contracts or 30-year easements may not be less than 50%, or more than 75% of the compensation for a permanent easement.

¹⁵ The GLBP was last funded as a congressional directive (earmark) in FY2010 for a total of \$404,000. Funds directly supported the Great Lakes Commission and local conservation priorities in the Great Lakes region. Funding was terminated in the FY2011 short-term continuing resolution (P.L. 112-4), which said that all FY2010 earmarks, "have no legal effect." Ultimately, the Natural Resources Conservation Service (NRCS) terminated funding for the GLBP and has not entered into any new agreements since. While funds were no longer provided to the Commission, NRCS began redirecting other conservation program funding to the Great Lakes region as part of a larger Great Lakes Restoration Initiative, which includes 11 federal agencies. For more information, see http://greatlakesrestoration.us/index.html.

partners must also provide a "significant portion" of the overall cost of the project. This leverages the partner's state, local, or private funding with RCPP's federal funding. Funds are also directed through "critical conservation areas" or CCAs. These areas are selected by USDA, are limited to eight nationwide, and expire after five years. ¹⁶ To be eligible for an RCPP contract, a producer must be located in either a CCA or RCP, but is not required to work with the sponsoring RCP partner and may choose to work directly with USDA. **Figure 4** gives a general illustration of how RCPP funding may be obligated to producer contracts based on the 2014 farm bill.

RCPP contracts will follow the existing rules and requirements of the covered programs (i.e., EQIP, CSP, ACEP, and the Healthy Forest Reserve Program, HFRP). Alternative funding arrangements are allowed for multistate water resources agencies. Also, five-year payments may be made to producers participating in water quantity and quality projects, specifically, conversion from irrigated to dryland farming and improved nutrient management. A comparison of repealed program provisions (where applicable) to the new RCPP provisions may be found in **Table A-5**.

Conservation Innovation Grants

The Conservation Innovation Grants (CIG) program is a sub-program of EQIP. The program is intended to leverage federal investment, stimulate innovative approaches to conservation, and accelerate technology transfer in environmental protection, agricultural production, and forest management. The program was reauthorized in the 2014 farm bill through FY2018 at an unspecified funding level of total EQIP funding. The farm bill reauthorized and reduced the air quality component, which requires that payments be made through CIG to producers to implement practices to address air quality concerns from agricultural operations in order to meet federal, state, and local regulatory requirements. This air quality component was previously authorized at \$37.5 million annually and is reduced to \$25 million annually (between FY2014 and FY2018) in the 2014 farm bill. The farm bill also adds a reporting requirement that no later than December 31, 2014, and every two years thereafter, a report must be submitted to Congress regarding CIG funding, project results, and technology transfer efforts.

Compliance Programs

The 1985 farm bill included a number of conservation provisions designed to conserve soil and water resources. Two of the provisions remain in effect today—highly erodible land conservation (sodbuster) and wetland conservation (swampbuster). The provisions, collectively referred to as conservation compliance, require that in exchange for certain USDA program benefits, a producer agrees to maintain a minimum level of conservation on highly erodible land and to not convert wetlands to crop production.¹⁷

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¹⁶ In addition to the covered programs' authority, RCPP may also use authority under the Watershed Protection and Flood Prevention Act (referred to as Watershed and Flood Prevention Operations (WFPO), 16 U.S.C. 1001 et seq.) for water quantity improvement projects within a CCA. For additional information on WFPO projects, see CRS Report RL30478, Federally Supported Water Supply and Wastewater Treatment Programs.

¹⁷ For additional information on how conservation compliance works, see CRS Report R42459, *Conservation Compliance and U.S. Farm Policy*.

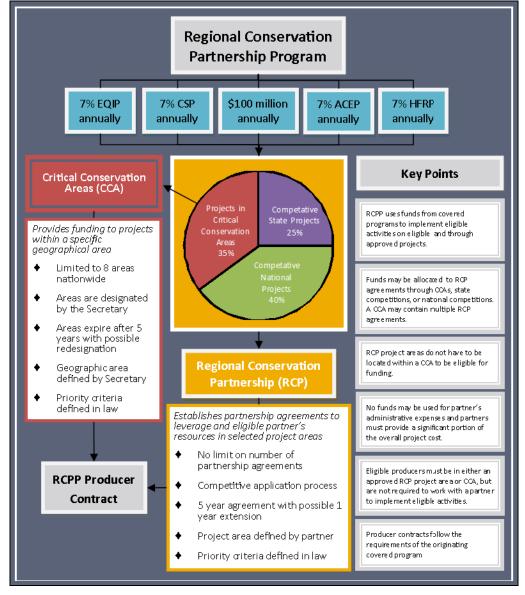


Figure 4. Regional Conservation Partnership Program (RCPP)

Source: CRS.

One of the most significant changes made by the 2014 farm bill was the addition of federal crop insurance premium subsidies to the list of benefits that could possibly be lost if a producer were found out of compliance. How compliance is calculated, where compliance provisions apply, and traditional exemptions and variances were not amended. The 2014 farm bill did create separate considerations when addressing compliance violations and the loss of federal crop insurance premium subsidies.

Highly Erodible Lands Conservation

The highly erodible land conservation provision (sodbuster) applies to land classified as highly erodible that was not in cultivation between 1980 and 1985 (i.e., newly broken land, referred to as sodbuster) and to any highly erodible land in production after 1990, regardless of when the land

was put into production. Land meeting this classification can be considered eligible for USDA program benefits if the producer agrees to cultivate the land using an approved conservation plan. In addition to the application of an approved conservation plan, a number of exemptions are possible before benefits would be lost. These provisions were unchanged by the 2014 farm bill.

What did change under the 2014 farm bill was the list of USDA program benefits that could be lost if a producer were found out of compliance with the sodbuster provision. The list was expanded to "include any portion of the premium paid by the Federal Crop Insurance Corporation for a policy or plan of insurance under the Federal Crop Insurance Act." This does not mean that producers cannot purchase a crop insurance plan through the federal crop insurance program; rather, if found out of compliance, they would be ineligible to receive the insurance premium subsidy paid by the federal government. ¹⁹ The loss of the insurance premium subsidy is not retroactive and would only take effect after all administrative appeals were exhausted.

The 2014 farm bill also extends the list of exemptions, allowing producers new to compliance requirements additional time (five reinsurance years)²⁰ to develop and comply with a conservation plan before the loss of federal crop insurance premium subsidies. Producers with compliance violations prior to the farm bill's enactment are allowed two reinsurance years to develop and comply with a conservation plan before the loss of the subsidies.

Wetlands Conservation

The "swampbuster" or wetland conservation provision extends the sodbuster concept to wetland areas. Producers who plant a program crop on a wetland converted after December 23, 1985, or who convert wetlands, making agricultural commodity production possible, after November 28, 1990, are ineligible for certain USDA program benefits. This means that, for a producer to be found out of compliance, crop production does not actually have to occur; production only needs to be made possible through activities such as draining, dredging, filling, or leveling the wetland. The wetlands compliance provision also includes a number of exempt lands.²¹ These provisions were unchanged by the 2014 farm bill.

Similar to sodbuster, the 2014 farm bill amends the wetlands conservation provision to include crop insurance premium subsidies as an ineligible benefit if found to be out of compliance. The amendment treats the time of wetland conversion differently (**Table 2**). The amendment also extends the list of exemptions for compliance violators, allowing additional time (one or two reinsurance years) for producers to remedy or mitigate the wetland conversion before losing crop insurance premium subsidies.

Producers must continue to self-certify their compliance with the sodbuster and swampbuster provisions. USDA is required to review certifications in a "timely manner"; otherwise, producers will be held harmless with regard to eligibility even if a subsequent violation is found. Producers

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¹⁸ 7 U.S.C. 1501 et seq.

 $^{^{19}}$ In 2013, an average of 62% of the total crop insurance premium was paid for by the federal government, and the remainder by the participating farmer.

²⁰ Reinsurance year is a 12-month period that begins on July 1st. For additional information about the federal crop insurance program, see CRS Report R40532, *Federal Crop Insurance: Background.*

²¹ Examples of exempt wetlands include a wetland converted to cropland before enactment of the 1985 farm bill (December 23, 1985), artificially created lakes, ponds, or wetlands, and wetlands created by irrigation delivery systems. A full list of exempt lands may be found in CRS Report R42459, *Conservation Compliance and U.S. Farm Policy*.

who do not self-certify and are found to be in violation must pay an "equitable contribution" to a wetland restoration fund, not to exceed the premium subsidy amount. USDA retains sole responsibility for implementing the conservation compliance provisions.

Table 2. Crop Insurance Eligibility and Wetland Conversions

Timing	Violation	Penalty
Newly Converted Wetlands—wetlands converted after February 7, 2014.	Converted wetland violation impacting five or more acres.	Ineligible for crop insurance premium subsidies, unless exemption applies.
	Converted wetland violation impacting less than five acres.	Ineligible for crop insurance premium subsidies, unless the landowner pays 150% of the cost of mitigation to a wetland restoration fund.
Prior Converted Wetlands —wetlands converted before February 7, 2014.	Any converted wetland violation.	Eligible for crop insurance premium subsidies. Ineligible for other USDA program benefits, unless exemption applies.
New Insurance Policies—wetlands converted after a new insurance policy or plan is made available for the first time.	Any converted wetland violation.	Ineligible for crop insurance premium subsidies, if prior conversions are not mitigated within two reinsurance years.

Source: 16 U.S.C. 3821(c)(2)

Notes: Table only applies to federal crop insurance premium subsidies. All other existing wetland compliance violations were unaffected by the 2014 farm bill provision.

The 2014 farm bill also amended the wetland mitigation banking program. Under wetlands conservation, compliance violators have the option of mitigating the violation through the restoration of a converted wetland, the enhancement of an existing wetland, or the creation of a new wetland. Debate over these wetland mitigation requirements arose during the 2014 farm bill and centered on the concern that some producers were required to mitigate wetlands with a greater than 1-to-1 acreage ratio. This is allowed by statute if "more acreage is needed to provide equivalent functions and values that will be lost as a result of the wetland conversion to be mitigated." The House-passed farm bill would have limited wetland mitigation to not more than a 1-to-1 acreage ratio. The Senate-passed farm bill would have required a study to assess the use of wetland mitigation, determine impacts on wildlife habitat, and provide recommendations for improving wetland mitigation procedures. Ultimately, the conference agreement adopted neither the House nor Senate provision and instead provided \$10 million in mandatory funding for mitigation banking efforts. While the provision remains unchanged in statute, the conference report (H.Rept. 113-333) includes language encouraging USDA to use a wetland mitigation ratio not to exceed 1-to-1 acreage.

Sodsaver

The 2008 farm bill created a compliance provision under the Crop Insurance title, known as sodsaver. The sodsaver provision would have made producers who planted crops (five or more

²³ 16 U.S.C. 3822(f).

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²² 16 U.S.C. 3822(f).

acres) on native sod ineligible for crop insurance and the noninsured crop disaster assistance (NAP) program²⁴ for the first five years of planting. The 2008 farm bill limited the provision to virgin prairie converted to cropland in the Prairie Pothole National Priority Area, but only if elected by the state. Ultimately no governors opted to participate in the program and sodsaver was never activated.

The Crop Insurance title (Title XI) of the 2014 farm bill amended and expanded the sodsaver provision. ²⁵ Unlike the 2008 sodsaver provision, there is no opt-in requirement and the provision became effective upon enactment. The sodsaver provision also applies to native sod in six states—Minnesota, Iowa, North Dakota, South Dakota, Montana, and Nebraska—rather than only the area covered by the Prairie Pothole National Priority Area. Crop insurance premium subsidies will now be reduced by 50 percentage points for production on native sod during the first four years of planting. ²⁶ Crops planted on native sod will have reduced benefits under NAP. The farm bill also clarified that native sod may include land that has never been tilled or cases where the producer cannot substantiate that the ground has ever been tilled.

Crop yield guarantees might also be affected for crop insurance policies. The yield guarantee for a crop insurance policy is a producer's "normal" crop yield based on actual production history (APH). In the absence of actual yield data (e.g., production on native sod or no yield documentation on existing fields), a "transition yield" (T-yield) is assigned, which is based on a portion of 10-year average county yields for the crop. The 2014 farm bill sets the T-yield factor on native sod equal to 65% of the 10-year average county yield for production on native sod. For other cropland, the percentage can be higher depending on the number of years of actual data included in the APH. Also, "yield substitution" is not allowed; that is, low farm yields must be used in the APH rather than replacing them with potentially higher T-yields as allowed for other cropland. This is expected to reduce the incentive to produce on native sod.

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²⁴ For more information on crop insurance and NAP, see CRS Report R40532, *Federal Crop Insurance: Background* and CRS Report RS21212, *Agricultural Disaster Assistance*.

²⁵ Section 11014

²⁶ For example, a 50 percentage point reduction would lower a premium subsidy rate of 62% to 12%. In 2013, an average of 62% of the total crop insurance premium was paid for by the federal government, and the remainder by the participating farmer.

Appendix. Comparison of Conservation Provisions Enacted in the 2014 Farm Bill to Prior Law

This appendix includes a series of tables arranged by subtitle included in Title II of the Agricultural Act of 2014 (P.L. 113-79). U.S. Code citations are included in brackets in the "Prior Law" column. Corresponding section numbers in P.L. 113-79 are included in brackets in the "Enacted 2014 Farm Bill" column. Funding for most Title II programs is covered in the "Funding and Administration" subtitle (**Table A-7**). Where appropriate, funding levels are repeated within a program's corresponding subtitle table.

Table A-I. Subtitle A—Conservation Reserve Program

Prior Law

Enacted 2014 Farm Bill (P.L. 113-79)

General Provisions

Sec.1231(a-b) of the Food Security Act of 1985 (FSA) (P.L. 99-198, or the 1985 farm bill), as amended, authorizes the CRP through FY2013. CRP provides annual rental payments to producers to replace crops on highly erodible and environmentally sensitive land with long-term resource conserving plantings. [16 U.S.C. 3831(a-b)]

Sec. 1231(c) of the FSA, as amended, determines the planting status of certain land. [16 U.S.C. 3831(c)]

Sec. 1231(d) of the FSA, as amended, authorizes the maximum acreage enrollment levels; the program is currently authorized through FY2013 to enroll up to 32 million acres. [16 U.S.C. 3831(d)]

Sec. 1231(e) of the FSA, as amended, defines the duration of contracts. [16 U.S.C. 3831(e)]

Sec. 1231(f) of the FSA, as amended, lists conservation priority areas as the Chesapeake Bay Region, the Great Lakes Region, and Long Island Sound. Watersheds with significant adverse water quality or habitat impacts related to agricultural production activities are eligible for priority designation. Areas expire after five years or upon application of the state. [16 U.S.C. 3831f]

Extends authorization through FY2018. Adds grasslands to list of eligible lands, which is consistent with the consolidation of Grassland Reserve Program (GRP) rental agreements under CRP (also see Duties of the Secretary, sec. 1233 of FSA). Amends eligible land definition for land not enrolled in CRP to include filterstrips and land enrolled in other conservation practices. [Sec. 2001 (a-b)]

Deletes language allowing land enrolled in the Water Bank Program and cropland expiring in CY2000-CY2002 to be enrolled. [Sec. 2001(c)]

Reduces enrollment to 27.5 million acres in FY2014; 26 million acres in FY2015; 25 million acres in FY2016; and 24 million acres in both FY2017 and FY2018. Also caps grassland enrollment at 2 million acres between FY2014-FY2018. Gives expiring CRP acres priority enrollment for grassland contracts. Grassland sign-up is continuous with one or more ranking periods. [Sec. 2001(d)]

Amends language for land devoted to hardwood trees, shelterbelts, windbreaks, or wildlife corridors to allow flexible contract lengths beyond the current 10-15 years. [Sec. 2001(e)]

Deletes the watershed-specific language, but retains the use of conservation priority areas as determined by USDA. [Sec. 2001(f)]

Farmable Wetlands Program

Sec. 1231B(a-f) of the FSA, as amended, authorizes a pilot program for up to one million acres of wetland and buffer acreage in CRP. [16 U.S.C. 3831b]

Renames the pilot program "Farmable Wetlands Program." Reauthorizes the program through FY2018, and clarifies language related to constructed wetlands receiving water from agricultural drainage. Reduces acreage limitation from one million acres to 750,000 acres. [Sec. 2002]

Enacted 2014 Farm Bill (P.L. 113-79)

Duties of Owners and Operators

Sec. 1232(a)(8) of the FSA, as amended, establishes approved use of harvesting, grazing, and wind turbine use on CRP acres. [16 U.S.C. 3832(a)(8)]

Sec. 1232(b & d) of the FSA, as amended, requires a conservation plan on all CRP acres and reduces rental payment for certain authorized uses. [16 U.S.C. 3832(b & d)]

Deletes language related to harvesting, grazing, and wind turbine use on CRP acres and adds similar language under the Duties of the Secretary section (sec. 1233 of FSA). [Sec. 2003(a)]

Amends conservation plan language by removing possible base acre retirement. Deletes rental payment reduction requirement for certain authorized activities and adds similar language under the Duties of the Secretary section (sec. 1233 of FSA). [Sec. 2003(b-c)]

Duties of the Secretary

Sec. 1233 of the FSA, as amended, specifies the duty of USDA to make cost-share payments and rental payments. [16 U.S.C. 3833]

Deletes the current section and adds new section. In return for a CRP contract, USDA makes cost-share and rental payments. Certain permitted activities are allowed if consistent with an approved conservation plan and are subject to restrictions for nesting birds that are economically significant, in decline, or conserved by law. Emergency harvesting, grazing, and other use of forage are permitted without a reduction in rental rate. Livestock grazing for a beginning farmer or rancher is permitted without a reduction in rental rate. Other certain permitted activities (harvesting, grazing, and wind turbines) are permitted in exchange for not less than a 25% reduction in rental rates. Grazing, harvesting, and fire suppression are permitted on enrolled grasslands. In exchange for a reduced rental rate, a landowner may install land improvement practices up to one year before the CRP acres expire. This land may not reenroll in CRP for five years. [Sec. 2004]

Payments

Sec. 1234 of the FSA, as amended, establishes a framework for calculating annual rental payments. [16 U.S.C. 3834]

Specifies that tree and shrub maintenance cost share payments are limited to between two and four years beginning on the date of planting. Adds the requirement that incentive payments be limited to no more than 150% of the cost of thinning or other practices conducted. Amends rental payment calculation to include grassland contracts for not more than 75% of the grazing value. Adds the requirement that the National Agricultural Statistics Service (NASS) conduct a rental rate survey no less than once a year. Dryland cash rental rates may also be used as a factor for determining annual rental rates. Deletes language allowing for in-kind commodities as a form of CRP payment. Payments must be made in cash and may be in advance of performance determinations. [Sec. 2005] Limits of \$10 million for thinning activities between FY2014-FY2018 [Sec. 2601(a)].

Enacted 2014 Farm Bill (P.L. 113-79)

Contract Requirements

Sec. 1235(e) of the FSA, as amended, allows owners and operators to terminate a contract entered into before January 1, 1995, at any time if the contract has been effect for at least five years. Land with filterstrips, waterways, strips adjacent to riparian areas, windbreaks, shelterbelts, erodibility index of more than 15, and other land of high environmental value (e.g., wetlands) are not eligible for early release. The contract termination becomes effective 60 days after the participants notice. Rental payments are prorated and conservation compliance requirements remain in effect. [16 U.S.C. 3835(e)]

Sec. 1235(f) of the FSA, as amended, facilitates the transfer of CRP acres from a retiring owner to a beginning/socially-disadvantaged producer to return land to production, and allows new owner to begin land improvements or start organic certification process one year before CRP contract expires. [16 U.S.C. 3835(f)]

No comparable provision

Sec. 1235A of the FSA, as amended, allows land enrolled in CRP before enactment of the 1990 farm bill (P.L. 101-624, November 28, 1990) to convert vegetative cover to hardwood trees or restored wetlands [16 U.S.C. 3835a]

Allows owners and operators to terminate their CRP contracts in FY2015 if the contract has been in place for at least five years. Adds to the list of excepted land, including land with: hardwood trees, wildlife habitat, duck nesting habitat, pollinator habitat, upland bird habitat buffer, wildlife food plots, State Acres for Wildlife Enhancement (SAFE), shallow water areas for wildlife, rare and declining habitat, farmable wetlands, restored wetlands, diversions, erosion control structures, flood control structures, contour grass strips, living snow fences, salinity reducing vegetation, cross wind trap strips, sediment retention structures, federally designated wellhead protection areas, an easement under CRP, and average width of a perennial stream or permanent water body, and a CREP contract. Terminations become effective upon approval. [Sec. 2006(a)]

Adds "veteran farmer or rancher" as eligible individuals for the transition option, in addition to beginning farmer or rancher. Specifies that approved land improvements include preparing to plant an agricultural crop. [Sec. 2006(b)] Reauthorizes and increases the limit on the CRP transition option to \$33 million total between FY2014-FY2018. [Sec. 2601(a)]

Allows landowners to enroll in CSP (see **Table A-2**) and conduct activities required under CSP in the final year of the CRP contract without violating the terms of the contract. Allows USDA to terminate or modify a CRP contract if eligible land is transferred into ACEP (see **Table A-4**). [Sec. 2006(c)]

Repeals provision. [Sec. 2007]

No comparable provision.

Provides transition language stating that changes made by the 2014 farm bill do not affect the validity or terms of existing contracts. Allows CRP participants to update their current contract to reflect the new terms and conditions under Sec. 2004 (permitted activities). [Sec. 2008]

Funding

Sec. 1241(a)(1) of the FSA, as amended, allows the use of funds, facilities, and authorities of the Commodity Credit Corporation to carry out CRP. Limits payments for thinning activities to \$100 million total between FY2009-FY2013 and payments for the transition assistance to \$25 million total for FY2009-2013. [16 U.S.C. 3841(a)(1)]

Reduces limit for incentive activities (see **Sec. 2005**) to \$10 million total between FY2014-FY2018 and increases limit for transition assistance (see **Sec. 2006**) to \$33 million total between FY2014-FY2018. [Sec. 2601(a)]

Source: CRS.

Table A-2. Subtitle B—Conservation Stewardship Program

Prior Law

Enacted 2014 Farm Bill (P.L. 113-79)

Definitions

Sec. 1238D of the Food Security Act of 1985 (FSA), as amended, defines program terms for CSP, including: conservation activities, conservation measurement tools, conservation stewardship plan, priority resource concern, program, resource concern, and stewardship threshold. [16 U.S.C. 3838d]

Deletes the definition of 'conservation measurement tool.' Moves the definition of 'agricultural operation' and 'eligible land' from the Conservation Stewardship Program section (sec. 1238E of FSA) to the list of definitions. Amends the definition of 'eligible land' to specify nonindustrial private forestland rather than agroforestry, removes the term prairie land, and states pastureland rather than improved pastureland. Merges the term 'resource concern' with the definition of 'priority resource concern.' [Sec. 2101(a)]

Conservation Stewardship Program

Sec. 1238E of the FSA, as amended, establishes the CSP program for FY2009-FY2014. Eligible land includes private agricultural land, tribal agricultural land (that has been planted to crops in four of preceding six years), and nonindustrial private forest land. Land enrolled in CRP or WRP is considered ineligible. [16 U.S.C. 3838e]

Reauthorizes the program through FY2018. Moves definition of 'eligible land' to the definition section (sec. 1238D of FSA, discussed above) and removes nonindustrial private forest land limit of not more than 10% of total annual acres. Permits CSP enrollment of land under a CRP contract provided the CRP contract is scheduled to expire at the end of the year in which the land is enrolled in CSP; and CRP payments for the land cease prior to the date of the first CSP payment. Land enrolled in a wetland reserve easement through ACEP is ineligible. Retains the ineligibility for land not planted in crops for four of the preceding six years. [Sec. 2101(a)]

Stewardship Contracts

Sec. 1238F of the FSA, as amended, establishes contract requirements for addressing at least one resource concern upon application and meeting or exceeding the threshold for at least one priority resource concern by the end of the contract. Establishes ranking criteria of applications, contract provisions, contract renewal, and contract terminations. [16 U.S.C. 3838f]

Increases the entry requirement to address two resource concerns upon applying and meeting or exceeding the threshold for at least one additional priority resource concern. Adds expiring CRP acres transitioning to production as a consideration for ranking applications. Adds that USDA must agree to the transfer of duties and rights when there is a change of interest in the land under CSP contract. Requires contract renewal participants to meet the threshold for two additional priority resources concerns OR exceed the threshold for two existing priority resource concerns. Moves the 'coordination with organic certification' provision to the Duties of the Secretary section (sec. 1238G of FSA). Removes the 'On Farm Research and Demonstration or Pilot Testing' provision. [Sec. 2101(a)]

Duties of the Secretary

Sec, 1238G of the FSA, as amended, outlines the duties of USDA, including offering continuous enrollment with at least one ranking period per year, identifying between three to five priority resource concerns, and developing a conservation measurement tool. Limits acreage enrollment to 12,769,000 acres for each fiscal year 2008 through 2017. Requires a national average rate of \$18 per acre (to include all costs). Payments may be based on the costs incurred, income foregone, and expected environmental benefits. In general, payments are made at the beginning of each fiscal year and are limited to a total

Increases the number of priority resource concerns identified by USDA to not less than five. Removes references to a conservation measurement tool. Reduces the number of enrollable acres to 10 million acres for each fiscal year 2014 through 2022. Adjusts the payment limit aggregate to \$200,000 for all CSP contracts between FY2014 and FY2018. In addition to costs incurred, income foregone, and expected environmental benefits, annual payments are also based on the extent concerns are addressed through conservation activities, level of stewardship maintained over time, and degree

Prior Law	Enacted 2014 Farm Bill (P.L. 113-79)
of \$200,000 for all CSP contracts during any five-year period. [16 U.S.C. 3838g]	which activities are integrated across the entire operation. Requires a prorated performance over the life of the contract to create equal payments each fiscal year. Removes data collection requirements. [Sec. 2101(a)]
No comparable provision.	Provides transition language stating that changes made by the 2014 farm bill do not affect the validity or terms of existing contracts. Funding for existing CSP contracts may be made from current year funds. [Sec. 2101(b)]

Source: CRS.

Table A-3. Subtitle C—Environmental Quality Incentives Program

Prior Law	Enacted 2014 Farm Bill (P.L. 113-79)
Purpose	
Sec. 1240 of the Food Security Act of 1985 (FSA), as amended, authorizes EQIP, stating its purpose as promoting production and environmental quality as compatible goals, and optimizing environmental benefits by assisting producers: (1) to comply with national regulatory requirements; (2) to avoid the need for regulation; (3) to install and maintain conservation practices; (4) to make cost-effective changes to current production systems, and (5) to reduce administrative burdens by consolidating planning and regulatory compliance. [16 U.S.C. 3839aa]	Removes the purpose of requiring the reduction of administrative burdens on the producer through consolidating conservation planning and streamlining regulatory compliance processes. Adds wildlife habitat improvement and development practices to the purpose list. [Sec. 2201]
Definitions	
Sec. 1240A of the FSA, as amended, defines six terms: eligible land, National Organic Program, organic system plan, payment, practice, and program. [16 U.S.C. 3839aa-1]	Incorporates the definition of the National Organic Program into the definition of an organic system plan. [Sec. 2202]
Establishment and Administration	
Sec. 1240B(a-b) of the FSA, as amended, authorizes EQIP through FY2015. Contracts are one to ten years in length. [16 U.S.C. 3839aa-2(a-b)]	Reauthorizes EQIP through FY2018. Removes the minimum one-year contract length requirement. [Sec. 2203(1-2)]
Sec. 1240B(d) of the FSA, as amended, limits EQIP payments to not more than 75% of the cost (up to 90% for limited resource, socially disadvantaged farm or rancher, or a beginning farmer or rancher) and not more than 100% of income forgone. Greater significance is provided for determining income foregone payments for specific management practices. Advance payments for certain producers are limited to 30% of the cost-share rate. [16 U.S.C. 3839aa-2(d)]	Broadens the list of practices afforded greater significance when determining income foregone. Adds veteran farmer or rancher to the list of certain producers eligible for cost-share rates up to 90% and advanced payments. Increases the limit for advanced payments to certain producers to 50% and requires advanced payments not used within 90 days to be returned. [Sec. 2203(3)]
Sec. 1240B(f) of the FSA, as amended, requires that 60% of EQIP payments go to practices related to livestock production requirement between FY2008-FY2013. [16 U.S.C. 3839aa-2(f)]	Extends through FY2018 the requirement that 60% of payments be for livestock production. Requires a minimum of 5% of annual funds go to payments benefiting wildlife habitat through FY2018 (see Sec. 2203(5)). [Sec. 2203(4)]

Prior Law	Enacted 2014 Farm Bill (P.L. 113-79)
Sec. 1240N of the FSA, as amended, authorizes the Wildlife Habitat Incentives Program (WHIP), providing cost-sharing to landowners who improve habitat. Authorized to receive mandatory funding of \$85 million annually through FY2013. [16 U.S.C. 3839bb-1]	Adds a new provision under EQIP specifically for wildlife habitat incentive practices. Language is similar to the WHIP, which is repealed in Sec. 2707. Requires USDA to consult with State Technical Committees once a year when determining eligible practices. [Sec. 2203(5)]
Evaluation of Applications	
Sec. 1240C(b) of the FSA, as amended, identifies priorities to program applications. Gives higher priority for producers using cost-effective conservation practices to achieve environmental benefits. [16 U.S.C. 3839aa-3(b)]	Changes "environmental benefits" to "conservation benefits." [Sec. 2204]
Duties of Producers	
Sec. 1240D(2) of the FSA, as amended, states that in exchange for EQIP payments, producers will not conduct any practices on the farm, ranch, or forest land that could defeat the purpose of the program. [16 U.S.C. 3839aa-4(2)]	Changes the practice restriction from "farm, ranch, or forest" land to "enrolled" land. [Sec. 2205]
Limitation on Payments	
Sec. 1240G of the FSA, as amended, limits EQIP participant's payments to \$300,000 for any six-year period. This may be waived to up to \$450,000 for any six-year period if the contract is of environmental significance. [16 U.S.C. 3839aa-7]	Raises the EQIP payment limit to an aggregate of \$450,000 between FY2014-FY2018 and eliminates the waiver authority for contracts of environmental significance. [Sec. 2206]
Conservation Innovation Grants (CIG)	
Sec. 1240H(a) of the FSA, as amended, authorizes Conservation Innovation Grants (CIG), a competitive grant program within EQIP. Grants are provided, on a matching basis, to implement innovative conservation practices. [16 U.S.C. 3839aa-8(a)]	Adds research and demonstration activities, and new technology pilot testing as eligible projects. [Sec. 2207(I)]
Sec. 1240H(b) of the FSA, as amended, provides \$37.5 million of EQIP funds annually (FY2009-FY2013) to address air quality concerns. [16 U.S.C. 3839aa-8(b)]	Reauthorizes but reduces the air quality funding carveout to \$25 million of EQIP annually through FY2018. [Sec. 2207(2)]
No comparable provision	Adds a reporting requirement that no later than Dec. 31, 2014, and every two years thereafter, a report must be submitted to Congress regarding CIG funding, project results, and technology transfer efforts. [Sec. 2207(3)]
No comparable provision	Provides transition language stating that changes made by the 2014 farm bill do not affect the validity or terms of existing contracts. [Sec. 2208]
Funding	
Sec. 1241(a)(6) of the FSA, as amended, authorizes mandatory EQIP funding, rising from \$1.2 billion in FY2008 to \$1.622 billion in FY2015. [16 U.S.C. 3841(a)(6)]	Authorizes mandatory EQIP funding: \$1.35 billion (FY2014); \$1.6 billion (FY2015); \$1.65 billion (FY2016-FY2017); and \$1.75 billion (FY2018). Amended Sec. 1241(a)(5). [Sec. 2601(a)]

Source: CRS.

Notes: The enacted FY2014 appropriation (P.L. 113-76) reauthorized and amended EQIP. Because the changes were enacted prior to the enactment of the 2014 farm bill, they are reflected in the table as prior law.

Table A-4. Subtitle D—Agricultural Conservation Easement Program

Prior Law

Enacted 2014 Farm Bill (P.L. 113-79)

Establishment

No directly comparable provision. Similar to the establishment and purposes section of the Wetlands Reserve Program (WRP, Sec. 1237(a)), the Farmland Protection Program (FPP, Sec. 1238I(a)&(b)), and the Grassland Reserve Program (GRP, Sec. 1238N(a)) of the Food Security Act of 1985 (FSA), as amended. [16 U.S.C. 3837(a); 3838i(a)&(b); 3838n(a)]

Establishes the Agricultural Conservation Easement Program (ACEP). Combines the purposes of WRP, FPP, and GRP. Amended Sec. 1265of the Food Security Act of 1985 (FSA) [Sec. 2301(a)]

Definition

No directly comparable provision. Similar to definitions found in Sec. 1237 (WRP) and Sec. 1238H (FPP) of the FSA, as amended. [16 U.S.C. 3837 & 3838h]

Divides the easement program into two types—agricultural land easements (ALE), which include components of FPP and GRP; and wetland reserve easements (WRE), which include components of WRP. Defines the following:

- agricultural land easements—an easement that protects the natural resources and the agricultural nature of the land, while maintaining production
- eligible entity—an agency of state or local government, Indian tribe, or eligible organization
- eligible land—separate for ALE and WRE. ALE includes land: with a pending ALE offer; with prime, unique, or productive soils; that contains historical or archaeological resources; that would protect grazing uses; that furthers a similar state or local policy; that is cropland, rangeland, grassland, area historically dominated by grassland, pastureland, or nonindustrial private forest land. WRE includes: farmed or converted wetlands; cropland or grassland that has prior flooding from a closed basin lake or pothole if the state or other entity is willing to provide a 50% cost-share of the easement; wetlands enrolled in the CRP, have high wetland functions, and are likely to return to production after CRP; riparian areas that link protected wetlands; or wetlands determined by USDA to be significant.
- wetland reserve easement—an easement defined and delineated in a deed that stipulates the rights, title, and interests in the land conveyed to USDA and reserved by the landowner

Amended Sec. 1265A [Sec. 2301(a)]

Agricultural Land Easements

No directly comparable provision. Similar to Sec. 1238I (FPP) of the FSA, as amended. Provides for the purchase of conservation easements by limiting the land's nonagricultural uses. The federal cost may not exceed 50% of the appraised market value of the easement and entities must contribute a minimum of 25% of the acquisition purchase price. Prohibits bidding down (or choosing between similar projects based on lowest price). Requires USDA to include a contingent right of enforcement in the terms of the easement, and that a conservation plan be required for any easements that include highly erodible

Retains much of the FPP easement requirements for costshare assistance, agreements with eligible entities, certification of eligible entities, including review and recertification requirements. Allows for grazing as a protected agricultural use, similar to GRP easements. Requires appraisals based on uniform standards of professional appraisal practice or any other industryapproved standard. Requires eligible entities to provide contributions equivalent to the federal share, or at least 50% of the federal share if the entity includes contributions from the private landowner. Allows up to 75% federal cost-share for grasslands of special environmental significance.

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cropland. Establishes a certification process for USDA to enter into agreements. Entities must have the authority and resources to enforce easements, polices, and procedures. Agreements with certified entities are a minimum of five years with a review and recertification required every three years. Agreements with non-certified entities are three to five years in length. [16 U.S.C. 3838i(c)-(h)]

Authorizes USDA to waive any portion of the eligible entity cash contribution requirement for projects of special significance, subject to an increase of private landowner donation equal to the amount of the waiver if donation is voluntary. Establishes evaluation and ranking criteria for applications. All easements are permanent or for the maximum duration allowed under state law. Amended Sec. 1265B [Sec. 2301(a)]

Wetland Reserve Easements

No directly comparable provision. Similar to Sec. 1237-1237F (WRP) of the FSA, as amended. WRP enrolls lands through the use of permanent easements, 30-year easements, restoration costshare agreements, or any combination thereof. Eligible lands under WRP include: farmed wetland or converted wetland, together with adjacent land, except wetlands converted before December 23, 1985; cropland or grassland that was used for agricultural production prior to flooding from the natural overflow of a closed basin lake or pothole; and possibly farmed wetlands enrolled in CRP that are likely to return to production upon contract expiration. Ineligible lands include CRP acres containing timber stands or CRP pasture established to trees. USDA is required to determine the value of easements and contracts by providing the lowest amount of compensation based on a comparison of the fair market value of the land, a geographic cap, or an offer made by the landowner. Easements with values less than \$500,000 must be paid out over 1-30 years; easements with values greater than \$500,000 are to be paid out over 5-30 years. Authorized to conduct a Wetlands Reserve Enhancement Program (WREP) for agreements with states similar to CREP. Priority is given to easements based on the value of protecting and enhancing habitat for migratory birds and other wildlife, while taking into consideration costs and future agricultural and food needs. Eligible land cannot have changed ownership in the previous seven year period unless the new ownership was by will, succession, foreclosure, or USDA is assured the land was not acquired for the purpose of enrolling in WRP. [16 U.S.C. 3837-3837f]

Retains much of the WRP easement requirements for land eligibility, easement terms, compatible uses, easement compensation, violation procedures, duties of USDA and the owner, cost-share, restoration, and technical assistance requirements. Reauthorizes a program similar to WREP, referred to as the wetland enhancement option. No longer allows for stand-alone cost-share restoration agreements; only 30-year easements, permanent easements (or maximum duration allowed under law), and 30-year contracts for Indian Tribes, which may include restoration assistance. Reduces the land ownership requirement to the preceding 24-month period. Requires the establishment of an evaluation and ranking criteria that maximizes the benefit of federal investment. Retains priority for easements based on the value of protecting and enhancing habitat for migratory birds and other wildlife, but removes consideration for costs and future agricultural and food needs. Makes the reserved grazing rights pilot program permanent. Compensation provisions are similar to WRP, but adds a requirement that 30-year contract (Tribes only) and 30-year easement compensation be between 50% and 75% of a permanent easement's compensation. Payment schedules are changed for easements with values less than \$500,000 to be paid out over not more than 10 years and easements with values greater than \$500,000 to be paid out over 5-10 years. Restoration costshare is between 75%-100% for permanent easements and between 50%-75% for 30-year contracts (Tribes only) and 30-year easements. Easement administration may be delegated; however, the monitoring and enforcement responsibilities may not. Amended Sec. 1265C [Sec. 230 I(a)]

Administration

No directly comparable provision.

Outlines administrative requirements for ACEP using elements of WRP, FPP, and GRP. Land owned by the U.S. (not held in trust for Indian tribes), state, or local government is not eligible. The land may not be eligible if it currently has a similar easement or protection already in place or where the easement could be undermined by other conditions (e.g., hazardous substance, rights of way, etc.). Provides priority for expiring CRP acres to enter into (I) agricultural land easements if they are grasslands that would benefit from long-term easements, or (2) wetland easements, if they are wetlands with the highest functions and value that could return to production after leaving the CRP. Allows the

Prior Law	Enacted 2014 Farm Bill (P.L. 113-79)
	USDA to subordinate, exchange, modify, or terminate easements. Requires ACEP participants to meet highly erodible land and wetlands conservation (collectively known as conservation compliance) requirements. Amended Sec. 1265D. [Sec. 2301(a)]
Technical Amendments	
No directly comparable provision. Section I244(f) of the FSA, as amended limits CRP and WRP enrollment to no more than 25% of a county's total cropland acreage. [16 U.S.C. 3844 et seq.]	Provides technical amendments for other sections. Excludes shelterbelts, windbreak, and wet and saturated soils from the 25% county acreage cap. Amends acreage limitations to include existing WRP acres in the 25% county acreage cap in addition to CRP and the new wetland easements under ACEP. [Sec. 2301(b)]
Funding	
No directly comparable provision. Sec. 1241(a)(2) and (a)(5) of the FSA, as amended, authorizes mandatory funding to enroll WRP & GRP acres respectively. Sec. 1241(a)(4) authorizes mandatory FPP funding, rising from \$97 million in FY2008 to \$200 million in FY2014. [16 U.S.C. 3841(a)(2); (a)(4); (a)(5)]	Authorizes mandatory ACEP funding: \$400 million (FY2014); \$425 million (FY2015); \$450 million (FY2016); \$500 million (FY2017); and \$250 million (FY2018) Amended Sec. 1241(a)(2). [Sec. 2601(a)]

Source: CRS.

Table A-5. Subtitle E—Regional Conservation Partnership Program

Table A-3. Subtitle E—Regional Conservation Farthership Frogram	
Prior Law	Enacted 2014 Farm Bill (P.L. 113-79)
Purpose	
No directly comparable provision. Includes elements of the establishment and purposes section of the Agricultural Water Enhancement Program (AWEP, Sec. 1240I)), the Chesapeake Bay Watershed program (Sec. 1240Q), the Cooperative Conservation Partnership Initiative (CCPI, Sec. 1243) and the Great Lakes basin program for soil erosion and sediment control (Sec. 1240P) of the Food Security Act of 1985 (FSA), as amended. [16 U.S.C. 3839aa-9; 3839bb-4; 3843; 3839bb-3]	Establishes the Regional Conservation Partnership Program (RCPP). Combines the purposes of AWEP, the Chesapeake Bay Watershed program, CCPI, and the Great Lakes basin program to further conservation, restoration, and sustainability on a regional or watershed scale, and encourage partners to cooperate with producers in meeting or avoiding regulatory requirements and implementing projects. Amended Sec. 1271 [Sec. 2401]
Definition	
No directly comparable provision. Includes elements of the four consolidated programs.	Defines the following:
	 covered program—includes ACEP, EQIP, CSP, and HFRP

- eligible activities—activities for water quality and quantity improvement, drought mitigation, flood prevention, water retention, air quality improvement, habitat conservation, erosion control and sediment reduction, forest restoration and others defined by USDA.
- eligible land—cropland, grassland, rangeland, pastureland, nonindustrial private forest land, and other incidental land.
- eligible partner—producer organizations, state or

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local governments, Indian tribes, farmer cooperatives, water districts, municipal water or waste treatment entity, institutes of higher education, and other nongovernmental entity or organizations with a history of working with producers on conservation projects.

 partnership agreement—a regional conservation partnership agreement between an eligible partner and USDA.

Amended Sec. 1271A [Sec. 2401]

Regional Conservation Partnership

No directly comparable provision. Includes elements of the consolidated programs, primarily AWEP and CCPI.

Authorizes competitive partnership agreements for a period not to exceed five years with a possible one-year extension. Describes the duties of partners as defining the scope of projects, conducting outreach, acting on behalf of producers to apply for assistance, leveraging financial and technical assistance, conducting assessments, and reporting results. Partners must provide a "significant portion" of the overall cost of the project. Applications are competitive and the selection criteria are publically available. Priority is given to applications that: assist producers meeting or avoiding the need for regulation; include a large percentage of producers in the project area; provide significant resource leverage; applies a high percentage of conservation to priorities or initiative; or provide innovative conservation methods and delivery. Amended Sec. 1271B [Sec. 2401(a)]

Assistance to Producers

No directly comparable provision. Includes elements of the consolidated programs, primarily AWEP and CCPI.

Directs USDA to enter into contracts to provide technical and financial assistance to producers participating in projects with eligible partners, or producers within a project area or critical conservation area not working through an eligible partner. Program rules, requirements, and payments are to be consistent with the covered programs (ACEP, EQIP, & CSP). Provides USDA the authority to adjust the rules of a covered program, including operational guidance and requirements in order to simplify the application and evaluation process. Prohibits the adjustment of statutory requirements for a covered program, including appeals, payment limits, conservation compliance, and prior irrigation history. Authorizes no more than 20 alternative funding arrangements with multi-state water agencies or authorities. Five year payments may be made for conversion to dryland farming and nutrient management. AGI limits may be waived to fulfill the objectives of the program. Amended Sec. 1271C [Sec. 240 I(a)]

Enacted 2014 Farm Bill (P.L. 113-79)

Funding

No directly comparable provision. Sec. 1240I(j) of the FSA, as amended, authorizes mandatory AWEP funds of \$73 million in FY2009 and FY2010, \$74 million in FY2011, and \$60 million each fiscal year thereafter.

Sec. 1240Q(h) authorizes Chesapeake Bay Watershed program funds of \$23 million in FY2009, \$43 million in FY2010, \$72 million in FY2011, and \$50 million in FY2012.

Sec. 1243(i) authorizes CCPI to use 6% of covered program for a state (90%) and national (10%) competition.

Sec. 1240P(d) authorizes appropriations of \$5 million annually for the Great Lakes basin program. [16 U.S.C. 3839aa-9(j); 3838bb-4(h); 3843(i); 3839bb-3(d)]

Authorizes \$100 million annually for FY2014-FY2018 to remain available until expended. Similar to CCPI, the program utilizes a percentage of other conservation program funding. Annually reserves 7% of covered program funds and acres until April leach year, after which time uncommitted funds are returned to the covered program. Allocates 25% for a state competition, 40% for a national competition, and 35% for critical conservation areas. Retains the AWEP and CCPI restriction on paying no administrative expenses of eligible partners. Amended Sec. 1271D [Sec. 2401]

Administration

No comparable provision.

Requires USDA to make information on selected projects publicly available. Requires a report to Congress on December 31, 2014 (and every two years thereafter) on the status of projects funded. Amended Sec. 1271E [Sec. 2401(a)]

Critical Conservation Areas

No comparable provision.

Requires USDA to use 35% of the funds and acres available for partnership agreements in no more than eight critical conservation areas that expire after five years, subject to redesignation. Areas are selected based on: multi-state areas with significant agricultural production; existing agreement or plan in place; water quality concerns; water quantity concerns; or subject to regulatory requirements. Partner agreements and producer contracts are administered according to the applicable covered program and, where possible, complement existing water quality and quantity strategies. Allows the use of authorities granted under the Watershed Protection and Flood Prevention program in critical conservation areas. Amended Sec. 1271F [Sec. 2401(a)]

Source: CRS.

Table A-6. Subtitle F—Other Conservation Programs

Prior Law

Enacted 2014 Farm Bill (P.L. 113-79)

Sec. 1240M(e) of the Food Security Act of 1985 (FSA), as amended, authorizes the Conservation of Private Grazing Land Program. Authorizes appropriations of \$60 million annually through FY2013. [16 U.S.C, 3839bb(e)]

Sec. 1240O(b) of the FSA, as amended, authorizes the *Grassroots Source Water Protection Program*. Authorizes appropriations of \$20 million annually through FY2013. [16 U.S.C. 3839bb-2(b)]

Extends authorization of appropriations at \$60 million annually through FY2018. [Sec. 2501]

Extends annual authorization of appropriations (\$20 million) through FY2018 and authorizes a one-time \$5 million in mandatory funding from the Commodity Credit Corporation (CCC) to remain available until expended. [Sec. 2502]

Enacted 2014 Farm Bill (P.L. 113-79)

Sec. 1240R of the FSA, as amended authorizes state grants through a *Voluntary Public Access and Habitat Incentive Program* to encourage landowners to provide public access for wildlife-dependent recreation. Sets application contents and award priorities providing \$50 million in mandatory funds for the period for FY2013. **[16 U.S.C. 3839bb-5]**

Reduces and extends authorization of \$40 million in mandatory funding for the period of FY2014-FY2018. Requires USDA to submit a report to Congress no later than two years after enactment on the effectiveness of the program. [Sec. 2503]

Sec. 1252 of FSA, as amended, authorizes an Agriculture Conservation Experienced Service Program (ACES), such that USDA can enter into agreements with organizations to provide technical assistance (excludes administrative tasks) using qualified individuals 55 years or older. Funding from CRP, GRP, WRP, and CSP may not be used to carry out the ACES program. [16 U.S.C. 3851]

Allows funding for each conservation program in the Food Security Act of 1985, as amended, except CRP, to be used to carry out the ACES program. [Sec. 2504]

Sec. 14(h)(2)(E) of the Watershed Protection and Flood Prevention Act (P.L. 106-472), as amended, authorizes up to \$85 million annually in discretionary funding for the Small Watershed Rehabilitation Program for FY2008-FY2013 and \$100 million in mandatory funding for FY2009 to remain available until expended. [16 U.S.C. 1012(h)(2)(E)]

Extends authorization of appropriations through FY2018 and authorizes \$250 million in mandatory funding for FY2014 to remain available until expended. [Sec. 2505]

Sec. 403 of the Agricultural Credit Act of 1978 (P.L. 95-334), as amended, authorizes USDA to assists sponsors, landowners, and operators in implementing emergency recovery measures for runoff retardation and erosion prevention to relieve imminent hazards to life and property created by a natural disaster under the *Emergency Watershed Protection Program*. This may include the purchase of floodplain easements. [16 U.S.C.2203]

Authorizes USDA to modify and terminate floodplain easements provided the current landowner agrees, and the modification or termination addresses a compelling public need for which there is no practical alternative, and is in the public interest. [Sec. 2506]

Sec. 2507 of the Food, Security and Rural Investment Act of 2002 (P.L. 107-171, 2002 farm bill), as amended, authorizes USDA to transfer \$175 million of CCC funds to the Bureau of Reclamation to provide water for atrisk desert terminal lakes. [43 U.S.C. 2211]

Deletes current section and replaces with new section that adds definitions for eligible land, program, and terminal lake. Also adds a new voluntary land purchase grant program with authorization to receive \$25 million through appropriations to remain available until expended. Retains provisions for voluntary water purchases for desert terminal lakes, including the transfer of \$150 million of CCC funds to the Bureau of Reclamation. [Sec. 2507]

USDA is authorized and directed to develop in cooperation with and participation by the public through conservation districts, state and national organizations and agencies, and other appropriate means, a national Soil and Water Conservation Program to be used as a guide in carrying out the activities of USDA which assist landowners and land users, at their request, in furthering soil and water conservation on the private and nonfederal lands of the nation. [16 U.S.C. 2005]

Adds Indian tribes as being eligible to cooperate with and participate in the Soil and Water Conservation Program. [Sec. 2508]

Source: CRS.

Table A-7. Subtitle G—Funding and Administration

Prior Law

Enacted 2014 Farm Bill (P.L. 113-79)

Program Funding

Sec. 1241(a) of the Food Security Act of 1985 (FSA), as amended, authorizes the use of funds (mandatory), facilities, and authorities of the Commodity Credit Corporation (CCC) to carry out conservation programs between FY2002 through FY2012 (through FY2014 and FY2015 for select programs). [16 U.S.C. 3841(a)]

Deletes current section and replaces with new section that extends the CCC authority between FY2014 and FY2018. Specific funding levels for programs are outlined below. [Sec. 2601(a)]

Sec. 1241(a)(1) of the FSA, as amended, authorizes CCC (mandatory funding) to carry out CRP for FY2002-FY2012. Specifically authorizes \$100 million for thinning activities and \$25 million for transition contracts between FY2009-FY2012. Total funding for CRP is limited by enrolled acres, not total dollars. See **Table A-1**. [16 U.S.C. 3841(a)(1)]

Reauthorizes the authority for CCC to carry out CRP between FY2014 and FY2018. Specifically authorizes \$10 million for thinning incentive payments and \$33 million for transition contracts. [Sec. 2601(a)]

Sec. 1241(a)(2) of the FSA, as amended, authorizes the CCC (mandatory funding) to carry out WRP for FY2002-FY2012. Total funding for WRP is limited by enrolled acres, not total dollars. [16 U.S.C. 3841(a)(2)]

Removes the WRP authority and replaces with an authorization for ACEP: \$400 million (FY2014); \$425 million (FY2015); \$450 million (FY2016); \$500 million (FY2017); and \$250 million (FY2018). See **Table A-4**. **[Sec. 2601(a)]**

Sec. 1241(a)(3) of the FSA, as amended, authorizes the CCC (mandatory funding) to carry out CSP for FY2002-FY2014. Total funding for CSP is limited by enrolled acres, not total dollars. Allows Conservation Security Program contracts (enrolled prior to FY2009) to be paid with mandatory funding. [16 U.S.C. 3841(a)(3)]

Reauthorizes the authority for CCC to carry out CSP between FY2014 and FY2018. [Sec. 2601(a)]

Sec. 1241(a)(4) of the FSA, as amended, authorizes the CCC to carry out FPP for FY2002-FY2014: \$97 million (FY2008); \$121 million (FY2009); \$150 million (FY2010); \$175 million (FY2011); and \$200 million (FY2012-FY2014). [16 U.S.C. 3841(a)(4)]

Removes the FPP authority and replaces with an authorization for ACEP: \$400 million (FY2014); \$425 million (FY2015); \$450 million (FY2016); \$500 million (FY2017); and \$250 million (FY2018). See **Table A-4**. **[Sec. 2601(a)]**

Sec. 1241(a)(5) of the FSA, as amended, authorizes the CCC (mandatory funding) to carry out GRP for FY2002-FY2012. Total funding for GRP is limited by enrolled acres, not total dollars. [16 U.S.C. 3841(a)(5)]

Removes the GRP authority and replaces with an authorization for ACEP: \$400 million (FY2014); \$425 million (FY2015); \$450 million (FY2016); \$500 million (FY2017); and \$250 million (FY2018). See **Table A-4**. **[Sec. 2601(a)]**

Sec. 1241(a)(6) of the FSA, as amended, authorizes the CCC (mandatory funding) to carry out EQIP for FY2002-FY2015: \$1.2 billion (FY2008); \$1.337 billion (FY2009); \$1.45 billion (FY2010); \$1.588 billion (FY2011); \$1.75 billion (FY2012-FY2014); and \$1.622 billion (FY2015). **[16 U.S.C. 3841(a)(6)]**

Reauthorizes the authority for CCC to carry out EQIP between FY2014-FY2018: \$1.35 billion (FY2014); \$1.6 billion (FY2015); \$1.65 billion (FY2016-FY2017); and \$1.75 billion (FY2018). [Sec. 2601(a)]

Sec. 1241(a)(7) of the FSA, as amended, authorizes the CCC to carry out WHIP for FY2002-FY2014: \$15 million (FY2002); \$30 million (FY2003); \$60 million (FY2004); and \$85 million (FY2005-FY2014). [16 U.S.C. 3841(a)(7)]

Removes WHIP authority. Requires a minimum of 5% of annual EQIP funds go to payments benefiting wildlife habitat through FY2018. See **Table A-3**. [Sec. 2203(4)]

No comparable provision.

Allows mandatory funding made available for CRP, ACEP, CSP, and EQIP to remain available until expended. [Sec. 2601(b)]

Enacted 2014 Farm Bill (P.L. 113-79)

Use of Program Funds

Sec. 1241(c) of the FSA, as amended, allows CCC funds for conservation programs to also be used for technical assistance. [16 U.S.C. 3841(b)]

Allows CCC (mandatory) funds for conservation programs to also be used for technical assistance, with the exception of CRP, which is at the discretion of USDA.

Requires USDA to give priority to producers who request technical assistance to comply with highly erodible land conservation (sodbuster) and wetland conservation (swampbuster) for the first time because of the changes made under Sec. 2611 (ties crop insurance subsidies to compliance requirements, discussed further below). Requires a report to Congress in 270 days after enactment on the impact conservation compliance has on specialty crop growers.

Requires a report to Congress by December 31, 2013 (and each subsequent year), detailing the amount of technical assistance requested and apportioned for each conservation program.

Requires an annual report to Congress on November I each year describing how conservation compliance is being addressed in a timely manner, total requests completed, incomplete determinations on record, and requests older than a year. [Sec. 2602]

Eliminates the \$15 million annual minimum and allows states in the first quarter of the fiscal year to establish that they can use a total of 0.6% of certain conservation funds. If established, those states may receive 0.6% of funds. [Sec. 2603]

Reauthorizes the EQIP and CSP set-aside through FY2018. Provides preference for veteran farmers or ranchers eligible under the provision. [Sec. 2604]

Amends reporting requirements to reflect the repeal of WRP, FPP, GRP, and AWEP and the addition of ACEP and RCPP. Adds reporting requirements for CSP payments and waivers granted to grasslands under ACEP. [Sec. 2605]

Sec. 1241(d) of the FSA, as amended, requires that each state receives an aggregated minimum of \$15 million annually from certain mandatory conservation programs in order to promote regional equity. [16 U.S.C. 3841(d)]

Sec. 1241(g) of the FSA, as amended, establishes an annual set-aside in EQIP and CSP from FY2009-FY2013; 5% to beginning farmers or ranchers and 5% to socially disadvantaged farmers or ranchers. [16 U.S.C. 3841(g)]

Sec. 1241(h) of the FSA, as amended, establishes reporting requirements for program enrollments and assistance under WRP, FPP, GRP, EQIP, AWEP, CSP, and adjusted gross income waivers. [16 U.S.C. 3841(h)]

Administrative Provisions

Sec. 1244 of the FSA, as amended, outlines administrative requirements for conservation programs including incentives for certain farmers or ranchers, privacy information, conservation plans, acreage limitations, and applications, among others. [16 U.S.C. 3844]

Sec. 1261(b) of the FSA, as amended, requires USDA to develop standard committee operating procedures for State Technical Committees. [16 U.S.C. 3861(b)]

Adds veteran farmers and ranchers to the list of eligible persons authorized to receive incentives. Makes conforming amendments to reflect the new ACEP program. Encourages streamlining and technology use to enhance efficiency and effectiveness. Clarifies that conservation payments are in addition to and not included in any payment limit caps. Allows for flexible funding arrangements for Indian Tribes and includes EQIP and CSP as applicable programs. [Sec. 2606]

Amends provision to allow USDA to review and update standards as necessary. **[Sec. 2607]**

Enacted 2014 Farm Bill (P.L. 113-79)

Sec. 2904 of the Food, Conservation, and Energy Act of 2008, (P.L. 110-246, 2008 farm bill) requires USDA, in consultation with CCC, to issue rules and regulations implementing Title II provisions within 90 days. Waives certain rulemaking requirements.

Amends and adds the 2008 farm bill regulations provision to a new Sec. I 246 of the FSA. Allows interim final rules to be effective upon issuance and waives the Paperwork Reduction Act requirements (44 U.S.C. 35). [Sec. 2608]

Compliance Requirements and Reports

Sec. 1222 of the FSA, as amended, allows USDA to exempt persons from ineligibility under wetland compliance (swampbuster) if certain factors exist, including: there is a minimal effect; the values, functions, and acreage are mitigated; conversion occurred after December 23, 1985, but before November 28, 1990, and are mitigated; or the action is authorized by a Clean Water Act section 404 permit (33 U.S.C. 1344). Sec. 1222(k) of the FSA, as amended, allowed USDA to operate a pilot program for mitigation banking. [16 U.S.C. 3822]

Adds language that amends Sec. 1222(k) of the FSA, authorizing USDA to expand and make permanent the wetland mitigation banking pilot program. Provides \$10 million mandatory funding to remain available until expended. Allows access to existing mitigation banks. [Sec. 2609]

No comparable provision.

Requires a report to Congress 90 days after enactment reviewing the activities that apply to the lesser prairie-chicken under: CRP; EQIP; the Lesser Prairie-Chicken Initiative; the Western Association of Fish and Wildlife Agencies Candidate Conservation Agreement with Assurances for Oil and Gas; and the Western Association of Fish and Wildlife Agencies Lesser Prairie-Chicken Range-Wide Conservation Plan. [Sec. 2610]

Sec. 1211 of the FSA, as amended, requires that in exchange for certain USDA program benefits, a producer agrees to maintain a minimum level of conservation on highly erodible land (referred to as HEL compliance). Examples of affected benefit include commodity support programs (e.g., Title I farm bill programs), conservation programs, disaster payments, and operating loans. [16 U.S.C. 3811]

Adds the federally funded portion of crop insurance premiums to the list of program benefits that could be lost if a producer is found to produce an agricultural commodity on highly erodible land without an approved conservation plan or qualifying exemption. [Sec. 2611(a)(1)]

Sec. 1212 of the FSA, as amended, allows producers to cultivate crops on highly erodible land and remain eligible for program benefits if the landowner agrees to cultivate the land using an approved conservation plan or qualifies for an exemption. [16 U.S.C. 3812]

Provides a separate provision for crop insurance benefits. A person subject to compliance for the first time because of these amendments is given five reinsurance years to develop and comply with an approved conservation plan to remain eligible for payments. A person who would have been determined in violation had they continued participation in programs requiring compliance after enactment of this bill and are still in violation must be granted two reinsurance years to develop and comply with an approved conservation plan. A person found in violation during a crop year shall be ineligible for crop insurance payment. This applies to reinsurance years subsequent to the date of the final determination of a violation and does not apply to the existing reinsurance year or any reinsurance year prior to the date of the final determination. [[Sec. 2611(a)(2)]

Sec. 1213 of the FSA, as amended, outlines the requirements for development and implementation of conservation plans for conservation compliance. [16 U.S.C. 3812a]

Requires that when determining crop insurance premium assistance, USDA must allow self-certification of compliance and act in a timely manner to evaluate such certifications, as well as avoid duplication or unnecessary paperwork. [Sec. 2611(a)(3)]

Enacted 2014 Farm Bill (P.L. 113-79)

Sec. 1221 et seq. of the FSA, as amended, requires that in exchange for certain USDA program benefits, a producer agrees not to convert wetlands to crop production. The provision, known as Swampbuster, affects producers who plant a program crop on a wetland converted after December 23, 1985, or who convert wetlands, making agricultural commodity production possible, after November 28, 1990. Examples of affected benefits include commodity support programs (e.g., Title I farm bill programs), conservation programs, disaster payments, and operating loans. [16 U.S.C. 3821 et seq.]

Adds the federally funded portion of crop insurance premiums to the list of program benefits that could be lost if a producer is found to have converted a wetland to crop production. Persons in violation who meet select criteria have a varying amount of time (one to two reinsurance years) to initiate a conservation plan to remedy a violation and remain eligible. Requires an annual report on ineligibility determinations. All persons applying for the federally funded portion of crop insurance in the first full reinsurance year after enactment must certify their compliance with the wetlands compliance provision. USDA must evaluate the certifications in a timely manner. A person found in violation is only declared ineligible following final determination and may not be retroactive. The timing of a violation affects eligibility. Only USDA is responsible for the enforcement of compliance. [Sec. 2611(b)(2)]

Source: CRS.

Notes: Authorized funding levels for various programs are provided in individual program tables as well as this table.

Table A-8. Subtitle H—Program Repeals, Transition Provisions, and Technical Amendments

Prior Law

Enacted 2014 Farm Bill (P.L. 113-79)

Program Repeals

Sec. 1230 of the Food Security Act of 1985 (FSA), as amended, authorizes and establishes the comprehensive conservation enhancement program between FY1996-FY2002. [16 U.S.C. 3830]

Sec. 1231A of the FSA, as amended, authorizes and establishes the emergency forestry conservation reserve program within CRP for areas suffering damage during the CY2005 hurricanes. [16 U.S.C. 3831a]

Sec. 1237-1237F of the FSA, as amended, authorizes and establishes the Wetlands Reserve Program (WRP). [16 U.S.C. 3837-3837f]

Sec. 1238H-1238J of the FSA, as amended, authorizes and establishes the Farmland Protection Program (FPP) and the Farm Viability Program. [16 U.S.C. 3838h-3838j]

Sec. 1238N-1238P of the FSA, as amended, authorizes and establishes the Grasslands Reserve Program (GRP). [16 U.S.C. 3838n-3838p]

Sec. 1240I of the FSA, as amended, authorizes and establishes the Agricultural Water Enhancement Program (AWEP) within EQIP. [16 U.S.C. 3839aa-9]

Repeals the comprehensive conservation enhancement program. [Sec. 2701]

Repeals the emergency forestry conservation reserve program with transition provisions for current contracts to receive CRP funding until expiration. **[Sec. 2702]**

Repeals WRP with transition provisions for current contracts and easements to receive CCC funding until expiration. ACEP funding may also be used. [Sec. 2703]

Repeals FPP with transition provisions for current agreements and easements to receive CCC funding until expiration. ACEP funding may also be used once prior year funding is exhausted. Also repeals the Farm Viability Program. [Sec. 2704]

Repeals GRP with transition provisions for current contracts, agreements, and easements to receive CCC funding until expiration. ACEP funding may also be used. [Sec. 2705]

Repeals AWEP with transition provisions for current contracts and agreements to receive CCC funding until expiration. RCPP funding may also be used once prior year funding is exhausted. [Sec. 2706]

Prior Law	Enacted 2014 Farm Bill (P.L. 113-79)
Sec. I240N of the FSA, as amended, authorizes and establishes the Wildlife Habitat Incentives Program (WHIP). [16 U.S.C. 3839bb-1]	Repeals WHIP with transition provisions for current contracts to receive CCC funding until expiration. EQIP funding may also be used once prior year funding is exhausted. [Sec. 2707]
Sec. I 240P of the FSA, as amended, authorizes and establishes the Great Lakes Basin Program for Soil Erosion and Sediment Control. [16 U.S.C. 3839bb-3]	Repeals the Great Lakes basin program. [Sec. 2708]
Sec. 1240Q of the FSA, as amended, authorizes and establishes the Chesapeake Bay Watershed program. [16 U.S.C. 3839bb-4]	Repeals the Chesapeake Bay Watershed program with transition provisions for current contracts, agreements, and easements entered into under the program to receive CCC funding until expiration. RCPP funding may also be used. [Sec. 2709]
Sec. 1243 of the FSA, as amended, authorizes and establishes the Cooperative Conservation Partnership Initiative (CCPI). [16 U.S.C. 3843]	Repeals CCPI with transition provisions for current contracts and agreements to receive CCC funding until expiration. RCPP funding may also be used once prior year funding is exhausted. [Sec. 2710]
Sec. 1239-1239D of the FSA, as amended, authorizes and establishes the environmental easement program between CY1991-CY1995. [16 U.S.C. 3839-3839d]	Repeals the environmental easement program. [Sec. 2711]
Transition Provision	
No comparable provision.	Adds a new section to address the multiple effective dates within Title II. Grants USDA 270 days after enactment to continue using existing regulations to implement new and amended programs in the absence of new regulations. [Sec. 2712]
No comparable provision.	Provides technical amendments and spelling corrections. [Sec. 2713]

Source: CRS.

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