

# 'RETIRED' SENSITIVE CROPLAND: HERE TODAY, GONE TOMORROW?

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The Environmental Working Group is the nation's most effective environmental health research and advocacy organization. Our mission is to conduct original, game-changing research that inspires people, businesses and governments to take action to protect human health and the environment. With your help—and with the help of hundreds of organizations with whom we partner—we are creating a healthier and cleaner environment for the next generation and beyond.

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The environmental, public health and natural resources problems plaguing American agriculture are daunting and getting worse. Threats to public health through contaminated drinking water,<sup>1</sup> poor air quality<sup>2</sup> and toxic algal blooms<sup>3</sup> are becoming widespread and costly, along with ongoing threats to fish and wildlife habitats and populations.

But one of the simplest and most economical ways to address these problems is also the most effective: **shifting environmentally sensitive land out of row crop production.** A scientific assessment by the Iowa Nutrient Reduction Strategy initiative evaluated a range of management and land use practices and determined that land retirement was one of the most effective strategies at reducing agricultural pollution.<sup>4</sup>

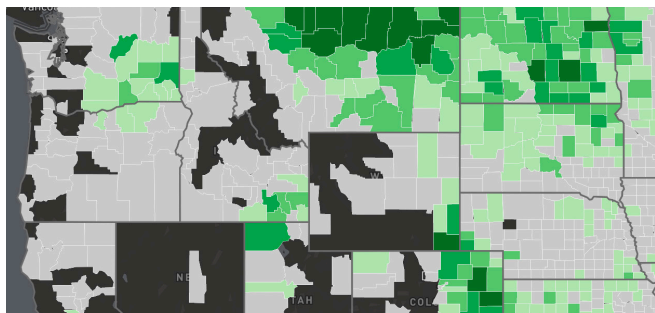
But unless these management and land use changes endure over the long term, the environmental and other gains will prove fleeting. If progress stalls or reverses as land ownership, market conditions and the person farming the land change, we end up spinning our wheels.

Tragically, that's exactly what has happened to the Conservation Reserve Program, or CRP, a critically important federal program that pays landowners an annual fee—essentially rent—to shift

sensitive land out of row crop production. **The program's flaw is that protection for the land shifted from production may be here today and gone tomorrow:** When crop prices are low, landowners are more likely to put acres into the CRP, but if prices go back up, they can just as readily take the land out and return it to row crop production when their contracts expire.

Between 2007 and 2014, crop prices boomed and land owners took almost 16 million acres out of the reserve. Most of those acres likely went back into crop production, negating the environmental gains taxpayers had paid more than \$7 billion to achieve.

Now crop prices have fallen and landowners are once again interested in putting acreage back into CRP. Proposals to ramp up funding for the program, now that growers have changed their minds, are in the air. Rep. Collin Peterson of Minnesota, the highest-ranking Democrat on the House Agriculture Committee, recently proposed increasing the cap on CRP acres from 24 million to 40 million.<sup>5</sup> Sen. John Thune of South Dakota, a Republican member of the Senate Agriculture, Nutrition and Forestry Committee, has said the cap should be raised to 30 million acres and that more grazing should be allowed on CRP land.<sup>6</sup>



## CLICK TO VIEW INTERACTIVE MAP

Interactive map that shows acres that dropped out of the federal Conservation Reserve Program and investment lost between 2007 and 2014, by county

[ewg.org/interactive-maps/2017\\_paradise\\_lost.php](http://ewg.org/interactive-maps/2017_paradise_lost.php)

But policymakers should think twice before spending billions of dollars more to temporarily rent more acres. **Instead, we should invest tax dollars in programs that create more lasting change.**

Permanent or long-term easements cost more per acre, and in the short term protect fewer acres, but they provide longer-lasting land protection.

Fortunately, there are already proven programs in place that do just that. Increasing funding and expanding acreage for these programs would provide a remarkable opportunity to achieve more lasting protection and more value for taxpayers.

**A special initiative within CRP, the Conservation Reserve Enhancement Program, or CREP, targets protection to high-priority conservation objectives defined in agreements between states participating in the initiative and the Department of Agriculture's Farm Service Agency. Agreements under the enhancement program allocate a certain amount of CRP acres and funding to a specific project and leverage resources from various nonfederal sources. Once the agreement is in effect, acres are enrolled in the enhancement program through a continuous sign-up.**

**The Wetland Reserve Easement option in the Agricultural Conservation Easement Program has been crippled by deep and unwise cuts in funding. Restoring funding for wetland protection to at least the level provided prior to the 2014 Farm Bill should be a higher priority than enrolling more acres in short-term CRP rental contracts.**

The CREP and Wetland Reserve Easements have solid records of accomplishment. Both programs have enabled innovative projects that combine federal and state funding to create better and more permanent protection for critical habitat and environmentally sensitive land. Improving and investing more in these programs—an **opportunity squandered** in the 2014 Farm Bill—would go a long way toward cleaner water and air, and abundant wildlife in the long term.

## INVESTMENT AND ACRES LOST

When landowners enroll land in the Conservation Reserve Program, they sign a 10-year contract. In return for annual rental payments, they agree to stop growing crops and maintain a protective cover of grass and other plants. But once the contract expires, they are free to plow up the land again.

That's just what happened as crop prices boomed after 2006. Between fiscal years 2007 and 2014, 15.8 million acres in the program were not re-enrolled when the contracts expired.<sup>7</sup> Taxpayers paid at least \$7.3 billion to rent and establish protective cover on those acres for 10 years.<sup>8</sup> **The billions taxpayers invested in water quality, wildlife habitat and soil protection were lost when these acres dropped out of the program.**

Between 2007 and 2014, taxpayers rented 6.7 million "new" acres through the CRP, likely starting the revolving door of acres again. Congress made matters worse by cutting the number of acres that could be enrolled. The combination of high prices and congressional action meant that 9.1 million more acres were lost than

were added during that period. The only year in which more acres were added than lost was 2007 (see Figure 1 below). Almost three-fourths of the protected acres were lost in just 10 states: North Dakota, Montana, Texas, Kansas, Colorado, South Dakota, Iowa, Missouri, Nebraska and Minnesota. Lost rental payments for these states cost taxpayers over \$5 billion between 2007 and 2014. And the newly enrolled acres did not make up the deficit: In those 10 states, 11.5 million acres were not re-enrolled, while only 4.3 million acres were newly enrolled.

## BETTER INVESTMENTS

The Conservation Reserve Program has clearly made important contributions to conserving natural resources and protecting the environment. Those gains, however, have too often proved to be transient. Like other voluntary conservation programs, CRP is highly

vulnerable to changes in markets, landownership, and the attitudes and goals of landowners.

A primary challenge for conservationists in the 2018 Farm Bill should be to find ways to effect more lasting change—to make sure the gains voluntary conservation programs accomplish stay on the landscape over the long term. This challenge applies equally to programs that seek to improve how farms and ranches are managed and those that seek to change land use.

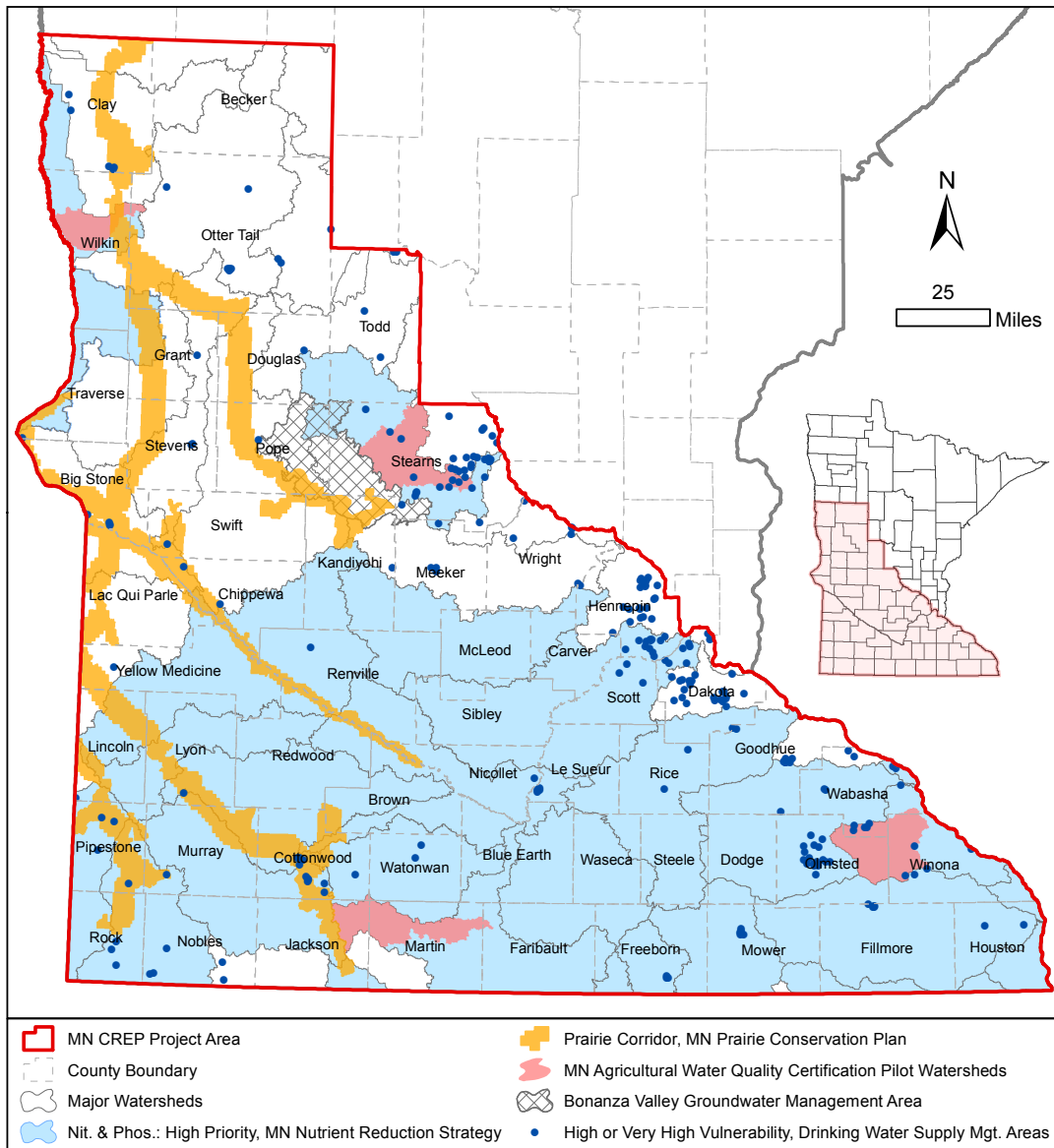
### CREP Partnerships

Many Conservation Reserve Enhancement Program partnerships leverage state or other nonfederal funding to extend protection provided by traditional CRP contracts. In some state CREP programs, land enrolled in 10- to 15-year CRP rental contracts are converted to long-term or permanent easements using funds provided by nonfederal partners.<sup>9</sup>

*Figure 1: Conservation Reserve Program acres enrolled or dropped out, 2007-2014*



Source: EWG, from USDA Farm Service Agency, *Conservation Reserve Program Statistics*



Source: Minnesota Board of Water & Soil Resources, Minnesota Conservation Reserve Enhancement Program (CREP) Project Area

The Minnesota Conservation Reserve Enhancement Program, for example, is a new project targeted at improving water quality and wildlife habitat in 54 of the state’s 87 counties. It enrolls landowners into CRP for 14- or 15-year contracts. The program aims to enroll 60,000 acres of cropland, focusing on four main conservation areas: wellhead protection, filter strips, and wetland restoration in floodplains and uplands.

When the initial CRP contract expires, the land transitions to a permanent conservation easement through the state’s Reinvest in Minnesota Reserve Program.<sup>10</sup> These permanent easements will provide significantly more water quality and wildlife habitat benefits than if the land went back into crop production after the CRP contract expired.

### Western Lake Erie Basin in Michigan



Source: Terry J. Cosby, USDA-NRCS Ohio State Conservationist

The project will start enrolling acres in 2017 at a cost of about \$500 million. The \$350 million USDA is providing for the project leverages \$150 million from the state of Minnesota and provides permanent protection for these critical acres.

Only 5 percent of total CRP acres have been enrolled through state CREP partnerships over the last four years, and only some of the CREP projects extend protection through easements.<sup>11</sup> Ramping up the allocation of CRP acres to CREP and giving highest priority to state partnerships that extend protection through easements is the most immediate opportunity to create more lasting change through CRP. Moreover, the Farm Service Agency should remove the cap—currently 100,000 acres—that limits the number of acres per project if the partners extend CREP contracts through easements.

#### **Wetland Reserve Easements**

The Agricultural Conservation Easement Program, or ACEP, should be another opportunity to return more lasting

protection for taxpayer dollars. But the program has been crippled by deep and unwise cuts in funding.

ACEP wetland reserve easements restore, protect and enhance wetlands through permanent, 30-year and term easements (easements that are for the maximum length allowed by state law). These easements are paid for by partnerships between the Natural Resources Conservation Service, and state or local governments, or nonprofit conservation-oriented organizations.

In southwest Michigan, for example, USDA works with local partners to purchase 30-year or permanent easements from landowners, and pays for part or all the costs to restore wetlands. The partnership focuses on restoring wetlands in designated areas of seven counties in the western Lake Erie Basin to improve water quality by filtering agricultural runoff and recharging ground water, while at the same time enhance habitat for waterfowl and other wildlife. As of September 2016, \$562,400 was going toward this project.

Between 2009 and 2013, the precursor to the ACEP wetland reserve easement program protected an average of 162,000 acres per year. But only 51,000 acres were protected in 2014 and 46,000 acres were protected in 2015.<sup>12</sup> Restoring funding for wetland protection to at least the level provided prior to the 2014 Farm Bill should be a higher priority than enrolling more acres in short-term CRP rental contracts.

## CONCLUSION

**Environmental gains from short-term voluntary conservation programs like CRP are fleeting.** Long-term or permanent land retirement programs reduce agricultural pollution considerably more, have a greater beneficial impact on wildlife habitat and better protect against threats to public health. Improving and investing more funding in CREP and ACEP wetland reserve easements would provide many environmental and public health gains. These programs should be higher priorities in the 2018 Farm Bill than increasing the acreage cap of short-term CRP rental contracts.

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