

April 15, 2014

Mr. Jason Weller, Chief
Natural Resources Conservation Service
United States Department of Agriculture
1400 Independence Avenue, SW Room 5105-A
Washington, DC 20250

Dear Chief Weller:

As the Natural Resources Conservation Service (NRCS) prepares the Announcement of Program Funding (APF) for the Regional Conservation Partnership Program (RCPP), we request that you include the following recommendations:

National and State APFs

While the law provides for a competitive process for determining national and state projects, given the time constraints we believe that both should be covered in the same APF. In addition to streamlining the process, this will allow NRCS to achieve greater consistency in selecting projects.

Non-Contiguous Areas

On page 992 of the Manager's Statement, it states: "The Managers intend that projects not be limited solely to geographic areas but that regional and non-contiguous multi-state areas be considered as well, provided that all program requirements are met." We request that the APF clearly state that proposed areas need not be contiguous.

Priorities and Regulations

We request that NRCS place a higher priority on applications that deal with drought mitigation, water quality and quantity, wildlife habitat, soil health and air quality. In addition, proposals that advance environmental market-based opportunities should be encouraged and prioritized.

Regulations

Due to drought, endangered species, and water quality issues, producers in various parts of the country are facing increased regulation. We recommend additional priority be given to proposals which will help producers either meet or obviate the need for such regulation.

"Significant" Contribution

RCPP language specifies that partners will contribute a "significant" portion of the overall cost of the project. In order to maximize flexibility for both partners and NRCS in creating and selecting projects, we request that NRCS not define what constitutes a "significant" contribution.

Soil Health

Soil Health is not specifically mentioned in the RCPP, but we request that the Agency give great weight to applications which positively impact soil health.

Shovel Ready

NRCS has laid out a very aggressive timeframe in order to implement the RCPP this year:

- Publish APF in May;
- Selections in late summer or early fall;
- Enter into project agreements with partners (up to 5 years) in September or October; and
- Sign farmers into contracts in fall and winter.

In order to demonstrate progress this year, we request NRCS give priority to projects that are “shovel ready” and which have accelerated startup times and implementation schedules.

Partners with Ag Experience

The RCPP is for working lands and we recommend that the litmus test for NRCS when selecting applications be whether or not the primary partners are farmers, ranchers or foresters, or have a history of working with farmers, ranchers or foresters and whether or not there is a broad array of groups at the table.

Municipalities

In addition to prioritizing partners that have agricultural experience, we recommend NRCS look for entities that can not only bring agricultural groups, conservation groups, and agricultural industry to the table, but which can involve participation by municipalities; particularly in areas where water quality is concerned.

Mandatory Funds

Mandatory funds, which are not tied to programs, represent a new factor in conservation programs and NRCS will have to spell this out in the APF. We offer the following suggestions for its use:

Planning Grants

In order to improve the quality of successive RCPP applications, we encourage NRCS to use a portion of the \$100 million in mandatory funds this year to provide small planning grants in the proposed APF. This will allow groups to more fully develop projects for future years and provide NRCS with the ability to focus funds on projects which meet Agency goals. It will also allow NRCS to reach out to groups representing limited resource or underrepresented populations.

Flexibility

NRCS needs to clarify how much flexibility partners have in using the mandatory RCPP funding and how this will differ from funding coming from the donor programs. For example, we recommend that costs associated with project planning and management (including outreach and technical assistance) be allowable charges and that NRCS specify what percentage of these costs can be built into the project. We believe that administrative costs should be defined as overhead expenses and not include actual project expenses such as those above. The APF should clarify that matching funds can be used to cover administrative costs.

Contract Management

We recommend that NRCS retain control and management responsibilities for producer contracts entered into under RCPP projects.

Program Flexibility

The RCPP language allows for non-statutory program rules to be adjusted. In our view this means that any additional requirement NRCS may have added in its Rules or Manuals that go beyond what is called for in the law can be waived. In order to expedite project implementation, we request that the APF prioritize applicants that identify rule and manual issues they want waived and list how they would handle each such waiver request.

Alternative Funding Arrangements

The RCPP language allows NRCS to select up to 20 projects that will have “alternative funding arrangements” provided a multistate water resource agency or authority is involved. NRCS currently uses alternative funding arrangements in large EQIP contracts with Indian Tribes. Under this authority, NRCS enters into a single, large EQIP contract with a Tribe. The Tribe provides a list of producers who will benefit, stipulates they are in compliance, do not exceed the income limitations, and stipulate that no one producer will receive benefits in excess of the payment cap. We recommend NRCS use this same approach for the RCPP.

We also recommend that in projects with alternative funding arrangements, funding be allocated to the lead partner to manage project elements such as monitoring, outreach, and technical assistance.

Regarding verification for conservation compliance, payment limitations, and adjusted gross income, we request that USDA assist in the process and that this be spelled out in the APF.

Key Practices and Ranking Criteria

We recommend that in the APF, NRCS ask potential partners to identify the key conservation practices they would use and provide suggestions on ranking criteria that would help focus on-farm projects toward carrying out the project goals.

Innovations

The RCPP includes the following language: “...provide innovation in conservation methods and delivery, including outcome-based performance measures and methods.” In areas such as water quality, innovations exist in technology to maximize agronomic and environmental outcomes. NRCS should encourage projects that can achieve multiple goals and where outcomes can be quantified.

No Year Funding

The new no-year funding allows both NRCS and partners great flexibility. We ask that the APF provide details on contract cancellation and re-allocation procedures for funds.

Sincerely,

American Farmland Trust
Environmental Defense Fund
National Association of Conservation Districts

Pheasants Forever
Quail Forever
The Nature Conservancy