

November 23, 2020

Mr. Robert Bonnie Team Lead, USDA Review Team Biden-Harris Transition Team 1401 Constitution Ave NW Washington, DC 20230

Dear Mr. Bonnie.

The National Association of Conservation Districts (NACD) represents America's nearly 3,000 conservation districts and the more than 17,000 men and women who serve on their governing boards. Conservation districts are local units of government established under state law to carry out natural resource management programs at the local level. Conservation districts work with millions of cooperating landowners and operators to help them manage and protect land and water resources on private and public lands in the United States.

Conservation districts and the Natural Resources Conservation Service (NRCS) work together closely to provide conservation planning and technical assistance, implement conservation programs, and address local natural resource concerns. The conservation delivery partnership between conservation districts, state conservation agencies and NRCS, which has existed for almost eight decades and is trusted by landowners across the country, is the gold standard. This partnership is unique because it is responsive to local needs for practical conservation solutions that also achieve state, regional and national objectives for healthy soils and plants, clean air and water, and sustained fish and wildlife populations.

As you transition to the new Administration and act on the climate and conservation goals of President-Elect Biden, we ask you to consider two overarching themes. First, the voluntary, locally-led, incentive-based conservation delivery system works. When decisions are grounded in local input supported by science, we can continue to improve soil health, improve our nation's water quality, and address the causes of wildfires that continue to grow in size and severity on public and private lands. All of these efforts will lead to an increase in the adoption of conservation practices that address the growing threat of climate change facing our nation and will help landowners across the country better adapt to increasing weather extremes.

The natural resource concerns facing our nation's diverse landscape, from our private agricultural working lands to forestlands and urban lands, span political parties and presidential administrations. It is only through a locally-led, voluntary approach supported by science that we will achieve the healthy soils and clean water and air we all desire to leave for our future generations.

Second, it is vitally important to remember that successful conservation delivery relies on an adequate number of capable and trained field staff to work with landowners and implement conservation programs. Currently, NRCS is well below its employment cap, based on the agency's own workload analysis of the technical support needed to fulfill program requirements. While NRCS has tried to hire as fast as they can, NRCS simply cannot hire fast enough to meet their own needs. Current capacity is insufficient to meet the demand for conservation planning and implementation of farm bill conservation programs at Congressionally authorized funding



levels. Staffing levels will need to drastically increase if the administration is intent on meaningfully addressing its climate and conservation goals.

In the interim, NACD and conservation districts have stepped up to help fill this gap. Conservation district staff have always been involved in implementing federal conservation programs. However, conservation district staff are taking on a greater share of conservation delivery across the country to counter these capacity issues. Although we would rather see NRCS fully staffed, America's conservation districts are ready and willing to continue assisting in meeting the current and growing needs of our nation's farmers, ranchers and forest stewards.

There are several immediate actions that the incoming Administration can take to improve conservation delivery through our federal, state and local partnership.

#### **Direct Hiring Authority and NRCS Staffing**

USDA must make the technical staff capacity of NRCS, especially at the field level, a top priority. NACD also believes this would be an opportunity to continue to build a diverse and talented workforce. Requesting additional Direct Hiring Authority will allow NRCS to more quickly hire and onboard field staff. Many USDA service centers are understaffed and cannot quickly add capacity because of the cumbersome federal hiring process. We have seen some success recently at NRCS with the limited Direct Hiring Authority the agency was provided. Expanding this authority will help meet the capacity issues affecting the agency, but most importantly, will help landowners access conservation assistance, making agency programs and efforts that much more effective.

Even without Direct Hiring Authority, NRCS has made some progress over the past year through a highly focused effort to hire field staff. Acting NRCS Chief Kevin Norton testified to Congress in October of 2020 that NRCS filled 2,943 vacancies in FY 2020 compared to 1,331 in FY 2019. The new Administration must ensure that this progress continues, because even with these improvements, the agency is still well below its own employment cap and workload analysis of hiring needs. A hiring freeze, followed by significantly constrained hiring approvals at the start of the new Administration like we saw in 2017 and through much of 2018, will halt this progress and move the agency backwards. Attrition of experienced employees through retirements and movement to other career opportunities continues during hiring freezes and slowdowns, exacerbating the ability to make needed capacity gains when hiring is allowed.

#### Agency Reorganization and the FPAC Business Center

NACD believes it is important that the incoming Administration review the roles, functions and authorities of the current USDA organization chart, and specifically, the Farm Production and Conservation (FPAC) mission area's Business Center.

The creation of this agency, separate from the NRCS, the Farm Service Agency (FSA) and the Risk Management Agency (RMA), was intended to improve and streamline business operations for the mission area such as human resources, information technology, grants and agreements, procurement, and office leasing. However, since being created in October 2018, there have been questions of exactly what authorities the Business Center consolidated from the agency, concerns about the quality and timeliness of services, experiences with uneven and inconsistent business



process handoffs between the Business Center and the agencies it serves, and in some cases delays creating more problems than when the individual agencies controlled these functions. It also is important to point out the centralization of functions in the Business Center went well beyond the transactional support functions commonly centralized in agencies and corporations to include functions more commonly aligned with mission delivery, including strategic planning and accountability, economics and analysis, appeals and litigation, public and legislative affairs, customer experience, and other functions. A significant risk of these functions being removed from direct agency control is whether the Business Center fully understands the nuance of the agencies' missions and their unique partnerships, works proactively to be an engaged full partner with the agencies, and provides viable solutions that are responsive to complexities and policy interpretations — especially integral to partnership-based conservation delivery.

While there have been some benefits since NRCS changed mission areas to be aligned with FSA and RMA, NRCS operates under a different model from the other two. For example, NRCS field staff engage directly with landowners away from the office, creating unique vehicle, office and staffing needs. Additionally, many conservation districts are co-located with NRCS field offices, and the staff collaborate closely together. Conservation districts have had difficulty engaging with the Business Center to continue implementing conservation through this unique partnership that dates back to 1937. A comprehensive review of the roles, functions, authorities, and implementation of the Business Center is strongly encouraged to determine if this new structure is the best way to meet the three agencies' needs and those of its partners and customers.

While there is merit to having "farmer facing" agencies united under a mission area to include NRCS, FSA and RMA, there is also merit in examining the benefits of NRCS returning to a Natural Resources and Environment (NRE) mission area along with the U.S. Forest Service. Both agencies share responsibility for landscape-scale natural resource management and conservation involving agricultural and non-agricultural lands, which requires greater scientific and technical expertise, and which historically has provided co-benefits of being aligned under NRE in previous administrations.

### Farm Bill Conservation Programs Addressing Climate Change and Resiliency

Conservation programs at FSA and NRCS currently help landowners sequester carbon in the soil and adapt to increasing weather extremes. We look forward to working with the new Administration in their goal for addressing climate change and resiliency. We would hope the Administration would engage conservation districts to ensure that the locally-led model is used most efficiently and to ensure that Local Working Groups continue to work as intended.

The Conservation Stewardship Program (CSP) has taken on a heightened role recently, particularly in discussions about combatting climate change, and NACD appreciated seeing President-elect Biden's support for the program in his policy platform. Unfortunately, CSP has not historically been an equitably allocated program from state to state, despite attempts in regulatory language. The future success of CSP and efforts that rely on the program will hinge on NRCS's and partners' ability to spread this program more evenly across the country.

While CSP is a critical program that helps farmers increase conservation on their operation, farmers must meet two resource concerns to be eligible. This requirement automatically eliminates a large number of farmers from eligibility, especially socially disadvantaged,



beginning or limited resource landowners. That is why, along with CSP, the Environmental Quality Incentives Program (EQIP) is also very important. EQIP is the bedrock conservation program authorized in the farm bill that, for many producers, starts the initial conversation with NRCS and conservation district staff about how they can begin to address the resource concerns on their operation. Both programs work in tandem, and while we certainly appreciate President-elect Biden's support for CSP, support for EQIP must be equally as strong.

NRCS also implements the Watershed Operations and Watershed Rehabilitation programs, which fund the building and rehabilitation of small watershed dams throughout the country. These smaller dams, limited to watersheds of under 250,000 acres, slow the flow of water across the landscape, limiting flooding damage downstream during extreme rainfall events and helping our nation's landscapes be more resilient to weather extremes. We would hope the Administration would prioritize this program, as Congress continues to fund this program.

#### **Implementation of the Conservation Reserve Program**

The 2018 Farm Bill reduced the cost of the Conservation Reserve Program (CRP) by cutting rental rates and limiting incentive payments, but FSA has further limited payments below the already reduced level, which has led to less landowner participation. FSA has the authority to offer two types of incentive payments to landowners whose contracts are expected to provide especially high environmental benefits. The 2018 Farm Bill requires that signup incentive payments (SIPs) at 32.5 percent accompany continuous CRP contracts, which FSA has followed. However, FSA is also authorized to offer practice incentive payments (PIPs) at up to 50 percent of the practice cost. The 2020 CRP Interim Rule recognized that PIPs were authorized but noted that these incentive payments are not required, and FSA has instead chosen to provide for a 5 percent PIP, startlingly low compared to the authorized level. Given the recent changes to the overall rental rates in CRP, PIPs have never been more important to enroll environmentally sensitive land.

FSA also moved State Acres for Wildlife Enhancement (SAFE) acres into the general signup for CRP versus Continuous CRP signup. This is a troubling change for two reasons. First, landowners now have one short window per year to sign up for SAFE. Second, General CRP acres are not eligible for the same incentive payments, further reducing the likelihood that landowners will apply for this program. NACD encourages the incoming Administration to closely look at each of these issues and follow Congressional intent to robustly incentivize landowners to join CRP.

# Opportunity to Assist Underserved Farmers in the Environmental Quality Incentives Program

NACD was supportive of Section 2304(e) in the 2018 Farm Bill that extended eligibility within the Environmental Quality Incentives Program (EQIP) to acequias. Acequias are centuries-old irrigation systems managed by local units of government. In many cases, they serve small acreage, low income, minority and other underserved farmers. The 2014 Farm Bill allowed acequias to participate in the Regional Conservation Partnership Program (RCPP), and since then, acequia projects have improved surface water conservation and water quality on agricultural lands and have provided for riparian habitats benefiting wildlife and plant species. Expanding acequias' eligibility to the full EQIP program ensures these unique and historic



irrigation systems can continue to provide conservation benefits and economic stability to low income, minority and underserved farmers.

NACD is glad to see this provision implemented by NRCS. However, we believe there are a few changes that could be made to increase acequias', and by extension underserved farmers', access to this program. We believe the EQIP funding for "water management agencies" – which includes acequias – should be allocated outside the traditional state allocations for EQIP funding to ensure that larger water management agencies are not competing directly with individual landowners for funding. We also believe the land eligibility definition within EQIP should be flexible to allow the entirety of an acequia's infrastructure to be eligible for conservation improvements. NACD encourages the incoming Administration to make administrative changes to ensure these projects can compete for EQIP funding.

### Support for Conservation Planning to Aid Landowner Decision Making

Conservation districts, NACD, the National Association of State Conservation Agencies (NASCA), NRCS and other partners recognize the value and critical importance of technical assistance and conservation planning support for our nation's landowners and their communities. Conservation planning is a proven, science-based process that guides landowners through an assessment of their natural resource needs and opportunities and helps them to plan and implement practical, on-the-ground solutions that fit within the context of their operations and achieve their conservation, production and economic goals. Conservation planning is the foundation of voluntary, incentive-based conservation.

The National Conservation Planning Partnership (NCPP) was formed in April 2015 to support four overarching objectives related to conservation planning, as follows: reinvigorate conservation planning; improve the conservation partnership's capacity to deliver conservation planning assistance; ensure the delivery of technically sound, science-based assistance; and build a workforce of strong conservation planners. The NCPP has made substantive progress toward achieving these objectives, but more collaborative work remains. We ask for your continued support of this impactful, partnership-based effort. Conservation planning is an essential competency for field employees, and well-trained and experienced planners bring "science and art" to the process for the best conservation outcomes. Conservation districts continuously work with NRCS in the field to help landowners turn these plans into action on their farms and ranches and in their forests.

Our country's almost 3,000 conservation districts, and their respective state and territory associations, look forward to working with the incoming Administration in the coming years to prioritize locally-led conservation.

Sincerely,

Tim Palmer NACD President

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Michael Crowder NACD President-Elect