U.S. AGRICULTURAL CONSERVATION PROGRAMS

Trends and Effects on Farmer Participation

By Adam Reimer (National Agricultural and Rural Development Policy Center)

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Background and History

Environmental problems related to agriculture, including water pollution and water use inefficiency, air pollution, loss of wildlife habitat, and invasive species, are all significant concerns facing much of the developed world, including the United States (Rabalais et al., 2001; Reganold et al., 2011; Robertson and Swinton, 2005; Tilman et al., 2009). Runoff of pollutants from farm fields constitutes the most significant non-point source of water quality impairment in the nation (U.S. EPA, 2009). To address these environmental problems, the U.S. has traditionally used voluntary policy tools, primarily education, technical assistance, and financial incentives, though there are some sectors of agriculture that fall under regulatory rules at the federal, state, or local level (Dowd et al., 2008). The U.S. Department of Agriculture has a portfolio of conservation programs to address a wide range of environmental problems related to agriculture. Though these programs have somewhat different specific goals, they typically involve payments to farmers in exchange for conservation actions on their farmland.

Agricultural conservation programs began in response to the Dust Bowl of the 1930s (Claassen, 2003; Dowd et al., 2008). Originally designed to protect topsoil and control commodity supplies, the programs evolved into the current portfolio. Programs generally fall into two categories, 1) *land retirement* or 2) *working lands* (see sidebar for details about major conservation programs). The largest, oldest, and most well-known existing program is the Conservation Reserve Program (CRP). A land retirement program, the CRP pays farmers a rental payment to remove land from agricultural production and restore natural plant cover for a fixed contract length, typically 10 years. The CRP began in 1985 and was the primary program by both funding and acreage impacted for over a decade. In 1996, Congress created the Environmental Quality Incentives Program (EQIP) (Schertz and Doering, 1999; Stubbs, 2010). This is a working lands program that provides cost-share payments and technical assistance to farmers for adopting conservation practices (also known as best management practices or BMPs) on active agricultural land. These practices range from modifications to nutrient applications, reducing tillage to maintain soil quality, or installing physical structures such as vegetated filter strips. Another working lands program was created in 2002, the Conservation Stewardship Program (CSP) (Claassen, 2003). While EQIP focuses on short term (mostly 1-3 year) contracts for individual conservation practices, CSP provides annual payments to farmers

under five-year contracts for addressing resource concerns on their whole farm. These working lands programs seek to find synergies between environmental protection and agricultural production (Dowd et al., 2008). Technical assistance is provided through the Conservation Technical Assistance (CTA) system, which is subject to annual appropriations by Congress (Stubbs, 2010).

Most of these conservation programs are managed by the Natural Resources Conservation Service (NRCS), a USDA agency that also provides CTA for all programs. The CRP is the exception to NRCS management; this program is instead operated by the Farm Services Agency (FSA), which also handles most of the other farm payment programs. The CRP contracting process is managed by FSA, while technical assistance and required contract maintenance falls to NRCS (Claassen, 2003). The NRCS and FSA operate in nearly every county across the U.S. through the USDA Service Center system. In addition to operating programs and offering CTA, NRCS develops partnerships with state and local resource agencies, including state departments of agriculture, natural resources, and environment, and local conservation districts. These partnerships enhance the capacity of both federal and local agencies and expand the ability of these agencies to improve environmental quality, though on-the-ground capacity varies throughout the country (Reimer, 2012).

Farm Bill Conservation Programs

Land Retirement

Conservation Reserve Program (CRP)

The largest land retirement program, CRP focuses on soil health, water quality, and wildlife habitat. Farmers sign up for a 10 year contract in which they agree to remove land from agricultural production and plant grasses, shrubs, and trees. There are currently over 27 million acres enrolled in the program.

Wetland Reserve Program (WRP)

This program focuses on protecting wetlands through 30 year and permanent easements. The program also provides cost-share funding for wetland restoration. These easements protect wetlands from development but allow the landowner to retain ownership and access control.

Grassland Reserve Program (GRP) and Farm and Ranch Land Protection Program (FRPP)

These programs are designed to protect farmland from development. The FRPP provides matching funds to non-governmental organizations that develop easements on agricultural lands. The GRP protects native grasslands, pasture and grazing land from development through easements.

Healthy Forests Reserve Program (HFRP)

This program is designed to protect and restore private non-industrial forestland. Landowners can enroll in 10 or 30 year or permanent easements that protect the land from development. As with the WRP, landowners can also receive cost-share and technical assistance for restoration activities.

Working Lands

Environmental Quality Incentives Program (EQIP)

EQIP provides cost-share and technical assistance for farmers to adopt conservation practices on their land. Farmers can sign up for contracts ranging from 1 to 10 years (depending on the practice). Farms can sign up for multiple practices but are only allowed to receive cost share for each practice once.

Conservation Stewardship Program (CSP)

This program provides annual payments for 5 years for farmers who are already achieving one resource goal (such as water quality, wildlife habitat, etc.) and plan to address at least one additional concern. Unlike EQIP, this program focuses on whole-farm environmental concerns rather than single practices.

Wildlife Habitat Incentives Program (WHIP)

A small working lands program, WHIP provides cost-share and technical assistance specifically for conservation practices that enhance wildlife habitat.

Conservation Compliance

In addition to voluntary conservation programs, there are some compliance measures that farmers must undertake to receive farm payments from the federal government. Farmers are eligible for a variety of farm subsidies, including direct payments for producing commodity crops, countercyclical payments, target price supports for crops, and crop insurance premium subsidies, in addition to conservation program payments. Beginning with the Food Security Act of 1985 (the 1985 Farm Bill), to be eligible for these payments, farmers had to meet some basic environmental protection requirements. Conservation compliance requires farmers to have an approved conservation plan in place to prevent excess erosion on highly erodible land. In addition, producers who continue to farm on natural wetlands or native grasslands converted after 1985 are ineligible for payments, provisions known as the "swampbuster" and "sodbuster" rules, respectively (Claassen, 2003; Lambert et al., 2007). These conservation compliance measures are not strictly regulatory, in that participation in farm payment programs is not required. However, given the powerful financial incentive to participate in such programs, the compliance rules constitute an important incentive to protect both highly erodible lands and wetlands through technology adoption and prohibition of certain activities.

Trends in Programming over Time

The portfolio of programs has evolved; specific programs and the overall approach to conservation have changed over time (Fig. 1). Each new farm bill, passed every 4 to 6 years, produces shifts in program approach. The modern portfolio of programs began with the 1985 Farm Bill and the creation of CRP and several other programs (Claassen 2003). Land retirement was the primary approach, with CRP and other easement programs supplemented by a handful of smaller, more targeted working lands programs. Land retirement constituted more than 80% of program spending throughout the late 1980s and 1990s. CRP enrollment has fluctuated from year to year (Fig. 2), and has been dependent on both the program's acreage cap and the desire of farmers to participate (more on determinants of farmer participation below). In 1996, programs were revamped a bit, with the consolidation of several smaller working lands programs into a new program, EQIP. The 1996 Farm Bill also changed the conservation compliance rules, removing compliance as a requirement to receive crop insurance subsidies. Disconnecting crop insurance from conservation compliance was done to encourage more farmers to purchase insurance, which was not as heavily subsidized by the government as it is now.

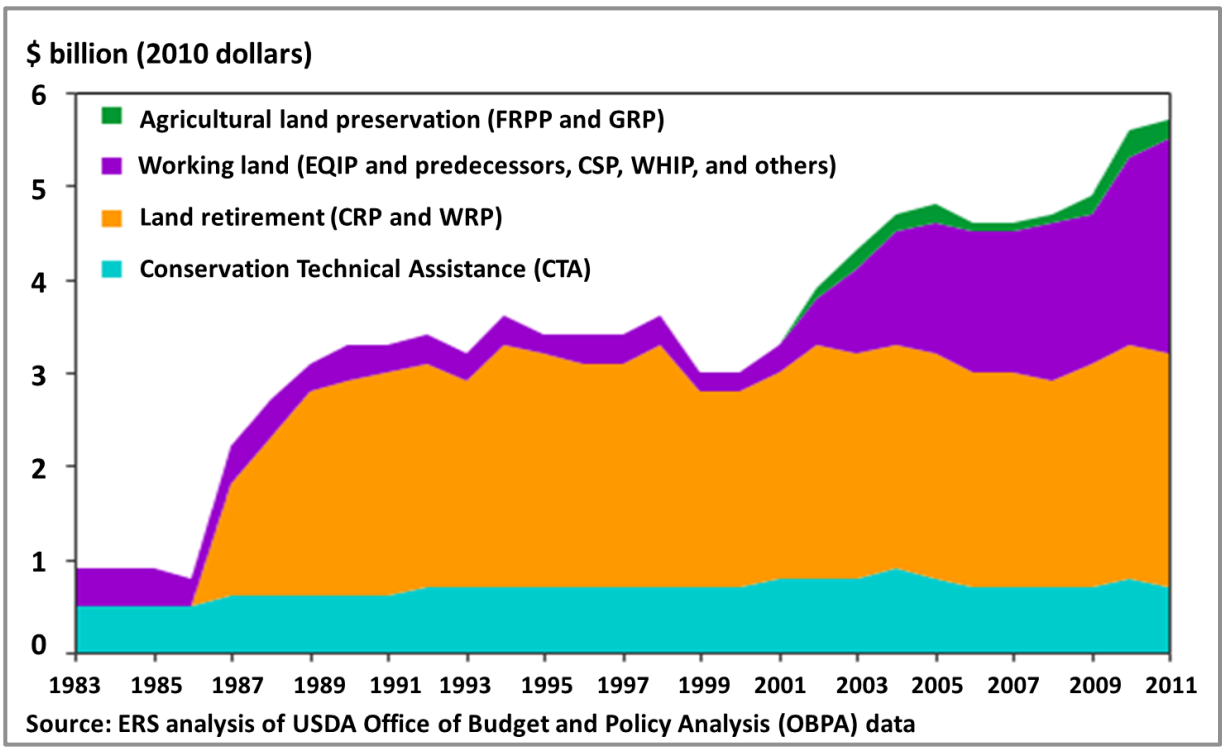

Figure 1. U.S. spending on conservation programs, 1983-2011.

EQIP remained a relatively small program, representing a small proportion of total conservation spending, until the 2002 Farm Bill, at which time the program was significantly expanded. Another working lands program was created in 2002, the Conservation Security Program (CSP, which would later undergo a slight name change to Conservation Stewardship Program). The early 2000s also saw the creation of several new easement programs. These programs, the Grassland Reserve Program (GRP) and Farm and Ranch Land Protection Program (FRPP), though designed primarily to protect agricultural land from development, also produce environmental benefits and are considered conservation programs. From 2002 onward, most of the growth in conservation spending has been to working lands programs (EQIP and CSP primarily) and the agricultural land conservation programs (Fig. 1).

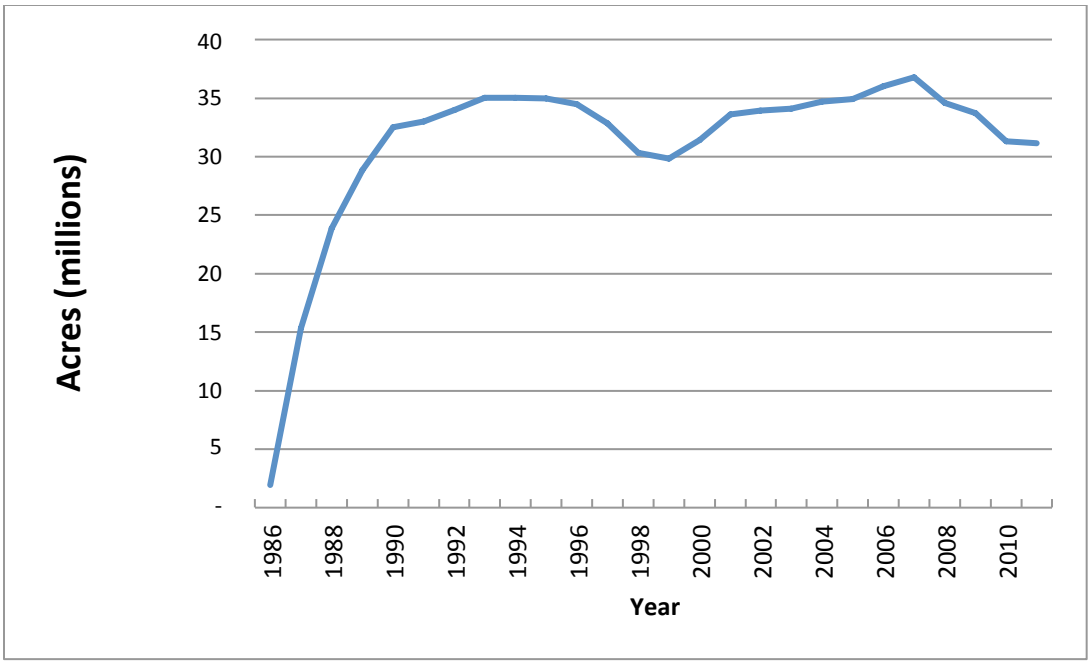

Figure 2. CRP Acres Enrolled per Year (USDA 2011).

The shift in relative emphasis from land retirement to working lands programs had several motivating factors. The two approaches are intended to address different suites of environmental problems. Land retirement programs, especially CRP, address soil erosion, surface runoff of water pollutants, and habitat for wildlife. In addition, these programs are in part intended to accomplish other farm policy goals, such as supply control and farm income support (Batie, 2009; Nowak, 2009). Despite the existence of these programs for several decades, substantial environmental problems still persist, especially large-scale water quality impairments. In some areas these water quality problems stem from leaching of farm chemicals (nutrients like nitrogen and phosphorus, as well as pesticides and herbicides) through subsurface drainage systems (Blann et al., 2009; Rabalais et al., 2001; Sims et al., 1998; Skaggs et al., 1994), a problem ill-suited to a land retirement approach (Nowak et al., 2008;). Working lands programs such as EQIP and CSP are designed to accomplish a number of environmental goals, including improving water quality, increasing water use efficiency, and promoting energy efficiency. In this sense, the shift toward working lands programs is a response to a changing understanding of the nature of agri-environmental problems (Claassen et al., 2001; Dowd et al., 2008).

In addition to changes in the environmental focus of policy, the shift to working lands programs was also driven by farm sector preferences. With increases in farm commodity prices in the middle of the last decade there is decreased interest among farmers in removing land from production. In addition, many working lands conservation practices have production benefits

(Reimer et al., 2012). Working lands programs are seen by many farmers as a way to experiment with new practices (Reimer, 2012). Farmer support for working lands programs over land retirement programs then is grounded in the better fit with farm production goals. Working lands approaches may be seen by both farmers and policymakers as finding better complementarity between agricultural production and environmental protection.

Another shift in program structure is in the level of geographic and individual targeting of programs. When EQIP was started in the mid-1990s, the program was largely targeted at regions in the country that were in most need of conservation action. Money spent on contracts primarily went to watershed-level projects that were selected based on local and state priorities. This approach changed when the program was expanded in 2002. Since that time, money has been allocated to states based on the level of resource concern and need, but that is the extent of targeting. Environmental problems are not distributed evenly over the landscape and some have recommended that the best approach for conservation programs is to specifically target the areas that cause most of the problems (Nowak et al., 2008). Currently there are few mechanisms within working lands or land retirement programs for doing this beyond application ranking. EQIP contract funds are allocated through a ranking process that attempts to maximize the environmental benefits of program dollars. Within a given state, applications are ranked based on a complex formula that assesses the potential environmental impacts (Stubbs, 2010). Money is then allocated down the ranked list until funds are exhausted. While this process targets funds along large geographic (i.e. state) boundaries, program funds are not specifically targeted to the areas within the states that contribute most significantly to environmental problems (Nowak et al., 2008).

Landscape Conservation Initiatives are one way in which NRCS has begun attempting to more effectively target conservation programs to specific geographic areas. Beginning in 2009, these initiatives are a way to bundle conservation programs in target watersheds to address specific national conservation priorities, such as water quality or wildlife habitat (NRCS, 2012). Examples of these initiatives include the Mississippi River Basin Healthy Watershed Initiative, which targets water quality, and the Sage Grouse Initiative, focused on rangeland habitat in the Western U.S. These initiatives were started in part due to recognition of the limits of a practice-by-practice approach to programs (NRCS, 2012).

In addition to shifts in programming, there has also been increased pressure for government agencies to justify their programs and funding through meaningful measurement. NRCS conservation programs have been assessed through the USDA Conservation Effects Assessment Project (CEAP) program started in 2005. The purpose of CEAP was to engage teams of researchers from universities, USDA agencies, and other partner organizations to investigate

the effects of conservation practices at watershed scales (Duriancik et al., 2008). Many of these efforts were modeling-based and focused on quantifying soil protection and water quality improvements. This emphasis on assessment of conservation program impacts is likely to continue in the future, though it is not yet clear to what extent assessment will be built into program delivery.

Determinants of Farmer Participation

The reliance on voluntary, incentive-based policy mechanisms means that program participation by farmers is required to achieve society's environmental goals. Though both land retirement and working lands programs use financial incentives to entice participation, research indicates that farmer participation in influenced by multiple factors beyond the level of payment (Franks, 2003; Reimer, 2012). Social science research in program participation indicates that participation decisions are influenced by: 1) payment levels; 2) farm factors; 3) farmer factors; and 4) community factors. In addition, farmers are influenced by various factors related to the conservation practices themselves, as well as geophysical and social contextual factors (Prokopy et al., 2008; Reimer et al., 2012). Program payments are an important incentive for farmers, though they are rarely sufficient in themselves to motivate adoption and many are willing to enroll even if payments do not cover all of the costs of participation. For many farmers, payments must cover at least part of the direct costs of implementing conservation measures as well as part of the loss in farm income from conservation practices (especially when taking land out of production) (Franks, 2003). Some research also indicates farmers place a premium on the inherent risks in changing production practices and take that into their financial accounting (Kurkalova et al., 2006).

Some farm operations are more likely to take advantage of certain types of programs than others. Farm size, land tenure (especially whether farmers own or rent the land they are working), and whether farmers are producing grain crops, livestock, organic products, or vegetables all play a role in determining the likelihood that a farmer will participate in conservation programs. Larger and more production-oriented farms appear more likely than smaller ones to sign up for working lands programs such as EQIP (Reimer, 2012). In interviews, operators of these large farms say that they like the ability to experiment with production modifications such as reduced tillage (which is good for water and soil quality) and precision application of fertilizers and pesticides (which protects water quality). Smaller farms are more oriented towards land retirement programs like CRP. Enrolling land in a land retirement program (essentially getting paid to provide water and soil quality protection and wildlife habitat) may be more beneficial for older farmers preparing to exit farming. This is reflected in the large number of farms that USDA classifies as "retirement" farms enrolled in these types of programs (ERS, 2012).

The farmer also makes a difference when it comes to participation. Farmer knowledge (in terms of age and education), beliefs, and attitudes all make a difference in how they perceive programs and whether they are inclined to sign up. Some farmers are more environmentally-focused than others. These "conservation-oriented" farmers actively seek out opportunities to engage in conservation activities and are often early adopters when it comes to innovative practices (Maybery et al., 2005; Reimer et al., 2012). Farm conservation programs offer an excellent outlet for these farmers to test out new practices or receive some compensation for practices they already tried. Other farmers may be environmentally-oriented but are disinclined to engage in government programs. This do-it-yourself approach does not necessarily mean that the farmer is not protecting environmental quality on their farm; they are simply choosing not to use government programs to accomplish their production and resource goals (it is also possible to receive technical assistance without the financial assistance that comes through program participation). It is also possible for farmers to utilize state or local government programs or engage in cooperative programs with non-governmental organizations like The Nature Conservancy or Ducks Unlimited (Farmer et al., 2011).

Participation decisions are not purely individual decisions made in a vacuum. There are community impacts as well, including influence of neighbors, the history of outreach and education in the area, and the level of contact with conservation professionals at the federal, state, and local area. These factors together might be called the "information environment" (Franks, 2003). Conservation programs can be complex and difficult to understand. The amount and quality of information available to farmers in a given area about conservation practices or programs can have a strong influence on behavior. In addition to the level of information available, farmers are likely to be influenced to some extent by community norms of behavior (Reimer et al., 2012). If a certain practice or program is common in an area, farmers are more likely to engage in those activities as well. Farmer social and information networks can have a substantial impact on conservation practice adoption rates and program participation (Floress et al., 2011; Prokopy et al., 2008).

Farm conservation programs all function on a first-come, first-served basis. In addition, farmers are not typically recruited into programs, but instead receive indirect information and must self-initiate contact with NRCS (Arbuckle et al., 2011; Reimer, 2012). They are not geographically targeted to where the environmental problems occur, though in many programs contract applications are ranked based on their environmental benefit. This ensures that of the applications received, the ones that will most benefit environmental quality will receive funding. Participation decisions of farmers are complex and involve the interaction of a variety of factors. Research has failed to identify single variables that are consistent predictors of

participation in programs or adoption of practices over time and geographic space (Prokopy et al., 2008). This is especially true of studies that rely on basic farm variables or farmer demographics without taking into account social networks, information flows, and local variations in environmental conditions. Despite the difficulty in predicting individual conservation choices, there are some clear trends in farmer participation patterns when national-level data are considered.

Farmer Participation Trends

Farm conservation programs are perceived differently by various types of farm operations, which result in variation in participation patterns (Lambert et al. 2007). Farms are not a monolith in the U.S.; they vary by size, production system, and a variety of other characteristics. The Economic Research Service (ERS) agency of the USDA categorizes farms based on sales and size characteristics. The majority of farms (87.6%) in the U.S. fall in the small family farm categories that include retirement, residential, and occupational farmers with less than $100,000 in annual farm sales (ERS 2012). However, land and production value are more distributed among larger family and non-family farms; 38% of farmland is owned by large-scale family and non-family farms.

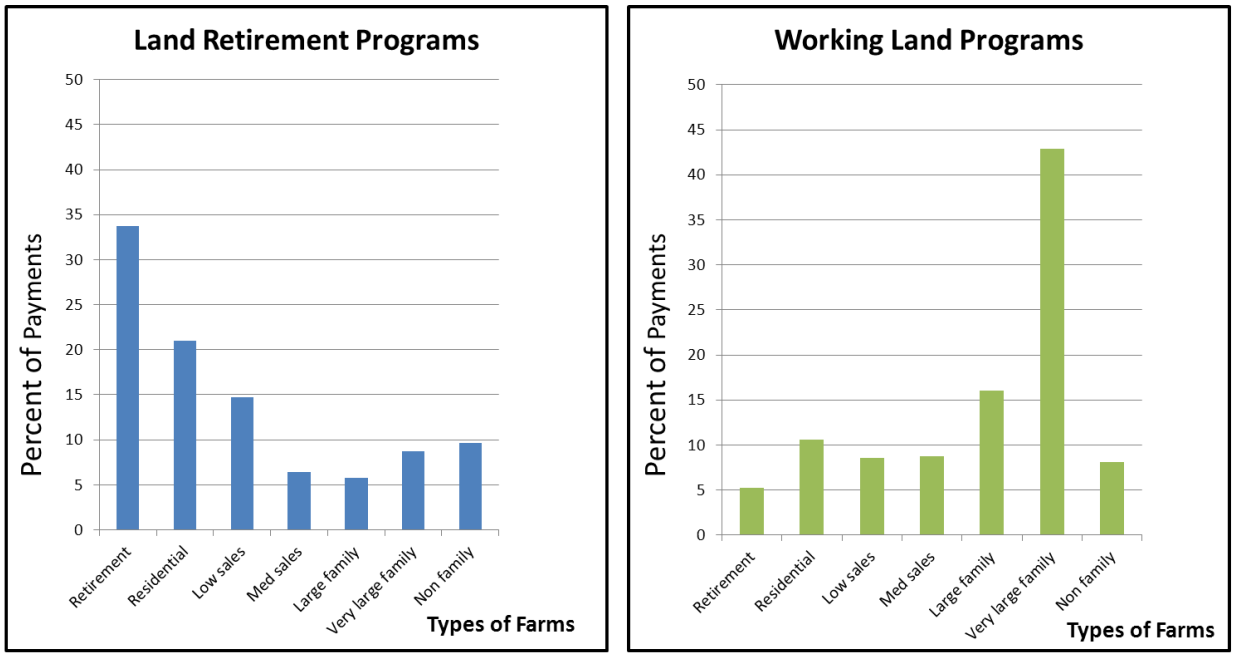

Figure 3. Distribution of conservation funding in FY2011 (ERS 2012).

USDA data show that conservation program funds are not distributed equally to all farm categories (Fig. 3). Within the two broad categories of programs, land retirement programs appear to be more readily adopted by small farms, especially retirement farms. While very large family farms and nonfamily farms appear to be a smaller proportion of land retirement

participants, they receive a disproportionately large share of dollars compared to their proportion of all farms. With working lands programs, the large majority of conservation dollars go to large and very large family farms. A much smaller proportion of small family farms receive working lands dollars.

These trends occur for multiple reasons. As explained above, working lands program dollars are allocated based on how effectively the proposed project would achieve resource goals. Working lands problems, including soil erosion, runoff of pollutants, and water use inefficiency, are often associated with increasing agricultural intensity (Batie, 2009; Robertson and Swinton, 2005; Tilman, 1999). Large, production-oriented farms have been shown to adopt new farm conservation technologies before smaller farms (Pannell et al., 2009; Sunding and Zilberman, 2001), perhaps as they perceive the negative production-impacts of environmental problems (Reimer et al., 2012). There are participant factors as well that likely influence farmer decisions about whether to apply for programs or not. Working lands programs tend to be less well known than land retirement programs, especially CRP (Arbuckle et al., 2011; Reimer, 2012). Production-oriented farmers in the larger family farm categories may have a better understanding of all conservation programs than farmers of smaller farms, many of whom also have off-farm employment, as well as more capacity to engage in programs (Kraft et al., 1996; Knowler and Bradshaw, 2007; Lambert et al., 2007). Additionally, working lands programs are seen by many farmers as more complicated, requiring significant time to understand and apply for (Reimer, 2012). Again, this makes working lands programs more accessible for larger farmers than smaller farmers.

On the land retirement program side, farmers are likely to use programs when they see on-farm benefits to participating, either financial or nonfinancial benefits (Reimer et al., 2012). Land retirement programs such as CRP are beneficial to larger family farms, which can remove small, difficult-to-farm areas from production while still receiving some financial benefits. Retirement farmers are likely to see these programs as a good way to transition out of farming by removing small land from production, easing on-farm management effort (Reimer, 2012). Retirement farmers are perhaps more likely to have better understanding of programs than other small family farmers and more available time to learn about and engage in government programs, so information barriers to participation are not as much of a concern for this group (Lambert et al., 2007).

Proposed Changes to Next Farm Bill

The 2008 Farm Bill expired on September 31, 2012 without a new farm bill being passed. The Senate passed their version of the new farm bill (S. 3240) on June 21, while the House Committee on Agriculture passed their version (H.R. 6083) on July 11. The House committee bill was never brought up for debate or vote on the floor of the House however. Both chambers recessed in September several weeks prior to the national elections on November 6. Most farm programs not immediately affected by the expiration of the previous farm bill. Congress passed an extension of the Farm Bill at the beginning of 2013, extending most farm programs through September. Congress plans to return to the Farm Bill in the first months of 2013, leaving uncertainty about the exact direction of future farm policy.

The Senate and House committee bills contain some significant differences in approach to commodity programs, crop insurance, and nutrition programs. Despite these disagreements on some key areas of farm legislation, there is largely agreement over the Conservation Title. There are some differences, especially in terms of program funding, but the larger trends are the same between the two bills. The overall trends in both bills include: cutbacks in conservation spending; a continued shift toward working lands programs; consolidation of programs; greater emphasis on regional approaches and federal-local partnerships (Table 1 includes alternative approaches and consequences of those approaches for various conservation issues).

Both House and Senate bills would reduce enrollment in CRP, decreasing the maximum acreage from 32 million acres to 25 million by 2017. While the bills differ slightly in how quickly they step down the acreage caps, the result is over $3.5 billion in savings between 2013 and 2022. The two major working lands programs, EQIP and CSP, are also targeted with spending cuts, though not as significant as to CRP. The House and Senate prioritize these two working lands programs differently, with the House preserving more EQIP funding than CSP and the Senate taking the opposite approach. Regardless of which working lands program they emphasize, the two bills exhibit the same overall trend toward more emphasis on working lands approaches over land retirement. As stated above, this is a larger trend in U.S. conservation policy over the past decade and one that is likely to continue in coming years.

In terms of consolidation of programs, a number of programs are being eliminated, with new programs taking their place. The other land retirement programs beside CRP, including WRP, GRP, and FRPP, are to be merged into one new program, the Agricultural Conservation Easement Program (ACEP). This new program will maintain the larger goals of the programs it replaces, including protecting and restoring wetlands and protecting farm and grazing land from development. Another new program is the Regional Conservation Partnership Program

(RCPP), which replaces several regional conservation efforts, including the Great Lakes Basin Program and Chesapeake Bay Watershed Program. This new program will provide funds to a number of large-scale, regional projects identified through a competitive process. An additional consolidation occurs with the elimination of the Wildlife Habitat Incentives Program (WHIP) and the incorporation of the WHIP program functions into EQIP. The two new programs, ACEP and RCPP, reflect another overarching trend in conservation policy toward more partnership-based conservation. Both of these programs rely on partnerships between federal agencies (especially NRCS) and state, local, and non-profit conservation partners. Partnerships serve multiple functions; they enhance the technical assistance and outreach capacity of federal agencies (particularly given the lack of growth in CTA funding for NRCS) and they engage local information and social networks, which can be a powerful mechanism for promoting conservation among farmers and rural landowners (Lubell, 2004).

There are also some differences between the two bills in other areas, including the application process and conservation compliance. The Senate bill has a provision that directs NRCS to create a new, streamlined application for programs. Currently, to apply for programs a farmer is required to complete an application for the individual program in which they are interested, which could result in multiple separate applications if the applicant is interested in multiple programs. The streamlined application would require just a single application, which would focus on resource concerns and the priorities of the farmer. This would allow NRCS personnel to better direct farmers to the programs that would suit them best. This is likely to make it easier for many farmers to apply by lowering information barriers and increase the likelihood that they will seek out programs.

In terms of conservation compliance, the significant difference between the two bills is the tie between conservation compliance rules and crop insurance. In the larger farm bill debate, the major shift in agricultural policy is away from commodity programs, such as direct payments, and toward risk management support, including increased subsidies for crop insurance premiums. The Senate bill reconnects conservation compliance with premium support eligibility, while the House bill does not. The House approach would be a substantial shift in agricultural policy; the House bill would effectively be removing conservation compliance from the primary farm income support policy. It is unclear what effect this might have on existing conservation compliance measures. Farmers may abandon protection of wetlands and highly erodible lands if they feel that maintaining these protections offers no benefit to their operation, but there is little research indicating what will happen on a landscape scale. The Senate bill ties compliance protections with crop insurance, a measure that was added as an amendment during floor debate. It is possible that this measure will make it through to either the final House bill or in the final reconciled bill passed by both chambers. Regardless,

conservation compliance remains a contentious matter of debate nearly 30 years after being initially implemented.

Overall both bills make significant cuts to conservation programs, with $6.1 billion in cuts over ten years in the House bill and $6.4 billion in the Senate Bill. Over half of these cuts in each bill are to the CRP. Both bills propose fewer programs as well, with 5 major programs (CRP, EQIP, CSP, ACEP, and RCPP) and a handful of minor programs. The national focus on fiscal discipline has had a strong effect on the development of the farm bill. Both cut spending significantly in the overall bill, with $24 billion in cuts from the Senate and $35 billion from the House (the major difference being spending on nutrition programs). Given the emphasis on reigning in spending, the cuts to conservation programs could be seen as relatively modest.

Table 1. Alternatives and consequences to approaches to conservation policy

Issue	Alternative	Consequence
Program approach	Land retirement emphasis	Potentially better conservation of wildlife habitat. Not as effective at controlling water, air pollution. Other benefits of programs include supply control of agricultural commodities. Programs may have less political support among farm groups.
	Working lands emphasis	Programs better suited to address water pollution, other resource problems stemming from active agricultural production. Programs may produce on-farm production benefits. Politically popular among farm groups.
Conservation compliance	Senate-Tie to crop insurance premium support	Continued large-scale compliance with wetlands and highly erodible lands rules.
	House-Do not tie to crop insurance	Potential losses of wetlands and degradation of highly erodible lands as farmers return land to production without penalty to government benefits.
Working lands program balance	Senate-More relative funding for CSP over EQIP	Emphasis on whole-farm conservation planning. More payments to high-performing conservation farmers, potentially those who are more conservation-oriented.
	House-More relative funding for EQIP over CSP	Emphasis on single-practice adoption, more money for livestock farmers. Potentially more wide-spread political support for EQIP by many farm groups.
Program consolidation	Larger number of programs	More programs can potentially better target the wide range of differing environmental problems.
	Smaller, more consolidated portfolio of programs	A streamlined portfolio potentially lowers barriers to farmer participation and eases administrative burdens for agencies.
Program targeting	First-come, first-served programs	Politically popular. Simplest way to operate voluntary programs, lowering administrative costs.
	Programs targeted at critical areas and farmers	Most efficient way to address environmental problems that are not distributed equally across geographic space. May not be politically feasible due to equity concerns among some farm groups.
Federal-local partnerships	More emphasis on partnerships, implementation by local agencies and groups	More cost efficient spending of federal conservation dollars, though costs may be shifted to local agencies with less capacity. Better access to local networks, which may increase farmer trust and program participation rates.
	Top-down federal approach	High costs to federal conservation agencies. Less ability to craft program to local conditions. Less access to local farmer social networks.

Conclusions

A variety of farm conservation programs currently address a wide range of rural environmental problems in the U.S. Over time programs have grown from one basic approach, land retirement, to a more diverse array of programs. The various program approaches are perceived differently by the different types of farmers. To continue to address the wide range of environmental problems in the rural U.S., a diverse array of policy tools, including land retirement, working lands conservation practices, farm planning, and technical assistance, are needed. The farm bills proposed by both chambers of Congress look to continue the trends in conservation policy by including a number of programs representing both working lands and land retirement approaches, though the increasing emphasis is on working lands programs. This trend is driven by farmer and farm interest group preference for working lands programs and by the goal of addressing the most significant environmental problems, which stem especially from active agricultural production. This trend towards working lands programs is matched with more emphasis on federal-local partnerships, regional approaches that target funds to the areas where they will be most effective, and a streamlined portfolio of programs. Some aspects of conservation policy, especially tying crop insurance subsidies to conservation compliance, are still uncertain in the upcoming farm bill. It is also unclear what impacts the shifts in conservation policy will mean for environmental quality nationally. Cuts to conservation program funding are likely to result in fewer contracts and less conservation on-the-ground as fewer farmers have access to program dollars. Congress may continue to seek accountability in conservation by requiring additional assessment of impacts, such as through the CEAP program.

The current structure of farm conservation programs provides a diverse set of policy tools for addressing environmental problems. The tradeoff of this system is a complex set of programs, each with their own terminology and application processes. Streamlining the system, either by consolidating programs or changing the application process, would lower information barriers or potentially make it easier for farmers to participate. The goal with streamlining however would be to increase access, not decrease opportunities for participation by limiting the conservation tools available. Additionally, different tools beyond subsidies and education could be useful in encouraging adoption of conservation practices. Market-based policy mechanisms, including water quality trading credits, could also potentially expand the reach of conservation programs as farmers seek to capture monetary value for the environmental services they provide.

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