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# Farm Bill Primer: Conservation Title

The conservation title of a farm bill generally contains reauthorizations, amendments, and new programs that encourage farmers and ranchers to voluntarily implement resource-conserving practices on private land. Starting in 1985, farm bills have broadened the conservation agenda to include addressing multiple natural resource concerns. Although the number of conservation programs has increased and techniques to address resource problems continue to emerge, the basic approach has remained unchanged: provide financial and technical assistance to implement conservation systems supported by education and research programs.

As Congress begins the process of authorizing the next farm bill, areas of possible interest in the conservation title may include funding for programs, climate strategies for the agricultural sector, the backlog of unfunded applications, compliance provisions, and program flexibility.

## Conservation Program Portfolio

Conservation programs are administered by the U.S. Department of Agriculture (USDA) and can be grouped into the following categories: working land programs, land retirement programs, easement programs, partnership and grant programs, and conservation compliance (see text box and CRS Report R40763, *Agricultural Conservation: A Guide to Programs*).

Other types of conservation programs—such as watershed programs, emergency land rehabilitation programs, and technical assistance—are authorized in other nonfarm-bill legislation. Most of these programs have permanent authorities and receive appropriations annually through the discretionary appropriations process. These programs generally are not addressed in farm bill legislation unless amendments to the program are proposed.

Title II (Conservation) of the Agricultural Improvement Act of 2018 (P.L. 115-334; 2018 farm bill) reauthorized and amended portions of most conservation programs, though there was focus on the large-cost programs, namely the Conservation Reserve Program (CRP), Environmental Quality Incentives Program (EQIP), and Conservation Stewardship Program (CSP). Most farm bill conservation 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 FY2023. For additional information on conservation programs in the 2018 farm bill, see CRS Report R45698, *Agricultural Conservation in the 2018 Farm Bill*.

## Funding for Conservation

The conservation title is one of the larger non-nutrition titles of the farm bill, accounting for 7% of the total projected 2018 farm bill cost, or $60 billion of the total of $867 billion in 10-year mandatory funding it authorized (FY2019-FY2028). Spending for agricultural conservation programs generally has increased from $2.3 billion in FY2002 to over $5 billion in total outlays in FY2020. Annual outlays beyond the 2018 farm bill's expiration (FY2023) are projected to plateau above $6 billion (**Figure 1**), assuming programs are reauthorized with no changes.

### Selected Farm Bill Conservation Programs

**Working lands programs** allow private land to remain in production while implementing various conservation practices to address natural resource concerns specific to the area.

- Environmental Quality Incentives Program, Conservation Stewardship Program, and Agricultural Management Assistance

**Land retirement programs** provide payments to private agricultural landowners for temporary changes in land use and management to achieve environmental benefits.

- Conservation Reserve Program—includes Conservation Reserve Enhancement Program, Farmable Wetland Program, Clean Lakes Estuaries and Rivers Pilot (CLEAR30), Soil Health and Income Protection Program, and Transition Incentives Program

**Easement programs** voluntarily impose a permanent or long-term restriction on land use in exchange for a payment.

- Agricultural Conservation Easement Program and Healthy Forests Reserve Program

**Partnership and grant programs** use partnership agreements and grants to leverage program funding with nonfederal funding.

- Regional Conservation Partnership Program, Conservation Innovation Grants, On-Farm Conservation Innovation Trials, Feral Swine Eradication and Control Pilot Program, Voluntary Public Access, and Habitat Incentive Program

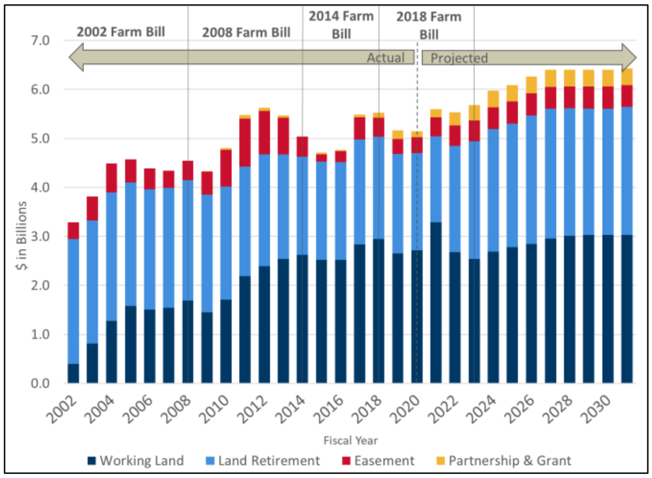
**Conservation compliance** prohibits a producer from receiving selected federal farm program benefits (including crop insurance premium subsidies) when conservation program requirements for highly erodible lands and wetlands are not met.

- Highly erodible land conservation (Sodbuster), wetland conservation (Swampbuster), and Sodsaver

In addition to funding authorized in the 2018 farm bill, legislation before the 117th Congress would increase funding for selected conservation programs. For example, the House-passed Build Back Better Act (BBBA, H.R. 5376) would extend and increase funding for selected conservation programs, such as EQIP, CSP, Agricultural Conservation Easement Program, and Regional Conservation Partnership Program, by more than $21 billion over 10 years (see CRS In Focus IF11988, *Build Back Better Act: Agriculture and Forestry Provisions*). This level of increase, if enacted, could influence the farm bill debate for conservation funding.

**Figure 1. Farm Bill Conservation Program Mandatory Spending, FY2002-FY2031**

outlays in millions of dollars (actuals adjusted for inflation)




**Sources:** CRS using Congressional Budget Office baseline data, FY2001-FY2021; and Office of Management and Budget, Table 10.1—Gross Domestic Product [GDP] and Deflators Used in the Historical Tables: 1940-2026, May 2021.

**Notes:** FY2002-FY2020 include actual spending levels adjusted for inflation to 2021 dollars using the GDP price deflator. FY2021-FY2031 are projected spending levels in current year dollars. Chart does not include sequestration or savings from repealed programs.

## Climate Change and Carbon Markets

Current agriculture sector strategies for addressing climate change, both through adaptation and mitigation, rely on the delivery of voluntary conservation technical assistance and financial support programs. Most farm bill conservation programs are designed to address multiple concerns through locally adaptable practices. Thus, no existing conservation program is specific to climate change adaptation or mitigation, but most programs can integrate adaptation to changes in climate within their current structure.

As part of the next farm bill, Congress may evaluate how well farm bill conservation programs assist producers in achieving climate change-related goals. Recent USDA initiatives related to climate change include the working lands programs (e.g., EQIP and CSP) and proposed discretionary use of the Commodity Credit Corporation, which serves as a funding mechanism for mandatory farm bill spending (see CRS Report R44606, *The Commodity Credit Corporation (CCC)* and CRS Report R46454, *Climate Change Adaptation: U.S. Department of Agriculture*). How USDA implements these climate-focused initiatives and pilot projects may influence the conservation title.

In addition to proposed changes, such as those in BBBA that would increase funding for existing conservation programs to achieve climate change-related goals, Congress has also debated legislation related to carbon markets and the role agriculture could play in them (e.g., Growing Climate Solutions Act, S. 1251/H.R. 2820). The role of agriculture in carbon markets has produced a variety of perspectives, including support for and opposition to a USDA role in standardizing voluntary carbon markets for agriculture and forestry. This debate could carry into the next farm bill, including what role the conservation title could play in assisting producers to generate carbon credits or support carbon markets. For additional information, see CRS Report R46956, *Agriculture and Forestry Offsets in Carbon Markets: Background and Selected Issues*.

## Program Backlogs

Arguments for expanding conservation programs in earlier farm bills were persuasive in light of evidence that large backlogs of interested and eligible producers were unable to enroll due to a lack of funds. Debate on a new farm bill could see similar arguments. Demand to participate in many of the conservation programs exceeds available program dollars several times over in some programs.

Acceptance rates and backlogs for conservation programs vary by program and program type. In general, working lands programs continue to experience low acceptance rates, whereas recent sign-ups under land retirement programs have had higher acceptance rates. For example, in FY2020, USDA funded 27% of eligible program applications received for EQIP, 35% for CSP, and 43% for Agricultural Management Assistance (AMA). By comparison, the 2021 CRP general sign-up had more than 2 million acres offered for enrollment and almost 1.9 million acres were accepted (93%). Policy issues beyond funding levels can also affect application acceptance rates. Large, ongoing backlogs of unfunded applications could provide a case for additional funding, whereas other policy mechanisms could be proposed to reduce demand.

## Conservation Compliance

The Food Security Act of 1985 (P.L. 99-198; 1985 farm bill) created the highly erodible lands conservation and wetland conservation compliance programs, which tied various farm program benefits to conservation standards. This provision has been amended numerous times to remove certain farm program benefits and add others. The 2018 farm bill made relatively few changes to compliance requirements. Some view these conservation compliance requirements as burdensome, and they continue to be unpopular among producer groups. Conservation compliance has remained a controversial issue since its introduction in the 1985 farm bill, and debate on its existence and effectiveness is likely to continue.

## Directed Spending and Flexibility

The 2018 farm bill required some existing conservation programs to direct a specific level of funding or acres, or percentage of a program's funding, to a resource- or interest-specific issue, initiative, or subprogram. Through these directed policies, Congress specified a support level or required investment that USDA is to achieve through program implementation. The specified levels may reduce USDA's flexibility to allocate funding based on need or reduce the total funds or acres available for activities that may not meet a resource-specific provision. Congress could consider the impact of these policies in the next farm bill.

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