Technical Assistance for Agriculture Conservation

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Summary

Agricultural conservation technical assistance has taken on a number of dimensions over its long and continuously evolving history. In the most general terms, technical assistance is a service assisting landowners and agricultural producers in conserving natural resources. Addressing natural resource concerns across different landscapes frequently requires multiple disciplines working together to provide a collective pool of conservation knowledge. The current federal framework for applying this conservation knowledge lies with the U.S. Department of Agriculture (USDA). Several agencies within USDA support conservation technical assistance, however, the Natural Resources Conservation Service (NRCS) is the federal lead.

NRCS provides conservation technical assistance to producers through various programs using field staff located across the country. Some level of technical assistance is required for participation in all of USDA's conservation programs; however, there is no single overarching description of technical assistance for all programs. Similarly, there is no single method of providing technical assistance. The full scope of technical assistance is best understood by examining how it operates within each conservation program. Some see the lack of technical assistance as the foremost barrier to adoption of conservation practices and enrollment in federal conservation programs.

While most technical assistance work is funded through annually appropriated programs, an increasing amount is funded through mandatory programs authorized through omnibus, multi-year, farm bills. The seemingly complex manner in which USDA implements and pays for technical assistance through its conservation programs has created general confusion on the subject. Congress continues to take interest in conservation technical assistance given its complexities and impact on the distribution of conservation financial assistance to producers.

Technical assistance has been discussed extensively at congressional hearings on agriculture conservation. Producers, ranchers, environmentalists, and wildlife advocates continue to raise the issue of technical assistance and the need or desire for additional support. The question of which federal agency should be involved with administering technical assistance and how this relates to the administration of conservation programs continues to be of interest. The expanding use of non-federal, third party providers of technical assistance is also of interest, especially when addressing the demand for additional capacity without an expansion of the federal workforce. A broader perspective on technical assistance raises questions about the capacity of the current technical assistance structure as well as future limitations.

Historically, technical assistance has evolved in the range of topics addressed; it currently addresses a wide variety of natural resource concerns. Recent farm bills have repeatedly added natural resource concerns to the conservation mission, leaving many to question whether the current technical assistance delivery system has retained the capacity to function effectively. Demands on available capital (both human and financial), combined with additional questions for technological capacity and an ever-expanding list of natural resource concerns, have generated an ongoing discussion in the current congressional debate.

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Agricultural conservation technical assistance has taken on a number of dimensions over its long and continuously evolving history.[1] Congress continues to take interest in conservation technical assistance given its complexities and impact on the distribution of conservation financial assistance to producers. Frequently, technical assistance for agriculture is discussed in the context of omnibus farm legislation (referred to as farm bills), although most technical assistance is discretionary and funded through the annual agricultural appropriations bill rather than mandatory spending authorized in the farm bill.[2] Questions concerning the current and future capacity of the technical assistance system are highlighted by a perceived lack of boundaries and understanding of what technical assistance is and is not. One challenge for Congress lies in finding an acceptable balance between how much technical assistance capacity currently exists and how much is needed to meet demand. In the search for this balance many policy questions arise regarding what technical assistance is and does, especially in the areas of funding and implementation. This report does not attempt to directly answer these questions, but rather provides a framework for the debate.

This report describes the past progressions that made conservation technical assistance what it is today, and also poses questions on where it might be headed in the future. Throughout this report, conservation technical assistance refers to conservation as applied to activities on or affecting agricultural lands.

Defining Technical Assistance

In the most general terms, technical assistance is a technical service. It is a basic service that provides conservation knowledge to producers and landowners. It includes information, technical expertise (e.g., engineering, biological, etc.), and a delivery system for assisting landowners and users to conserve and use natural resources. In broader terms it involves outreach, education, and training in practices and technological advances that create compatibility between production and the land. Perceptions of technical assistance vary by region, land use type, accessibility, and individual stewardship. Technical assistance is considered by some to be science-based and therefore subject to the continuous progression of advances in the field. By this definition, inflexibility and static change is undesirable. Others view conservation technical assistance as limited to preparing a conservation plan. The scientific underpinnings add to the stability of the plan; however, without additional follow-through this definition remains narrow, implying that technical assistance is just a plan, and nothing more. Increasingly, this service is not only provided through the federal government by the U.S. Department of Agriculture's (USDA's) Natural Resources Conservation Service (NRCS), but also by other public and private experts.

NRCS is the current federal provider of technical assistance for agriculture conservation. The statutory authority to provide conservation technical assistance is derived from the Soil Conservation and Domestic Allotment Act of 1935 (P.L. 74-46; 16 U.S.C. §590 et seq.). NRCS provides technical assistance at the request of the landowner to conserve and improve natural

[1] For additional historical information, see **Appendix A**.

[2] Technical assistance is funded through both mandatory and discretionary programs. Discretionary programs are funded annually through the appropriations process. Most mandatory funding currently is authorized under the Food, Conservation, and Energy Act of 2008 (P.L. 110-246, the 2008 farm bill), and provided through the U.S. Department of Agriculture's (USDA) Commodity Credit Corporation (CCC). Given this distinction, programs are presented separately in this report as either mandatory or discretionary. This is discussed in more detail below.

resources. It includes technical expertise combined with knowledge of local conditions and is provided through a network of federal staff located throughout the United States. Although the 1935 act provided authority for technical assistance it was not until an amendment under the Food, Conservation, and Energy Act of 2008 (2008 farm bill, P.L. 110-246) that conservation technical assistance was defined in statute. Through this amendment, technical assistance is currently defined by law as:[3]

> "(2) TECHNICAL ASSISTANCE.—
>
> "(A) IN GENERAL.—The term 'technical assistance' means technical expertise, information, and tools necessary for the conservation of natural resources on land active in agricultural, forestry, or related uses.
>
> "(B) INCLUSIONS.—The term 'technical assistance' includes—
>
> "(i) technical services provided directly to farmers, ranchers, and other eligible entities, such as conservation planning, technical consultation, and assistance with design and implementation of conservation practices; and
>
> "(ii) technical infrastructure, including activities, processes, tools, and agency functions needed to support delivery of technical services, such as technical standards, resource inventories, training, data, technology, monitoring, and effects analyses."

Technical Assistance Funding and Implementation

Technical assistance is funded through virtually every USDA mandatory and discretionary conservation program. Most of the funding for technical assistance is provided through discretionary conservation programs.[4] Discretionary programs are permanently authorized and receive funding through the annual appropriations process. Mandatory funding for certain conservation programs is currently authorized primarily under the 2008 farm bill, and provided through the USDA Commodity Credit Corporation (CCC).[5] Funding for mandatory conservation programs is provided at the level authorized in law unless limited to a smaller amount during the appropriations process.[6] Mandatory funding for conservation technical assistance often supports financial assistance to producers who provide specified forms of conservation.[7] Authorizing

[3] Sec. 10 of P.L. 74-46, as amended; 16 U.S.C. §590j.

[4] The primary discretionary conservation programs within USDA include Conservation Operations, Watershed Surveys and Planning, Watershed and Flood Prevention Operations, Watershed Rehabilitation Program, and Resource Conservation and Development, which cumulatively received $1 billion in total appropriations in FY2010. Discretionary programs are funded annually through the appropriations process.

[5] The CCC is the funding mechanism for the mandatory payments that are administered by various agencies of USDA. The primary mandatory USDA conservation programs include the Conservation Reserve Program, Environmental Quality Incentives Program, Agricultural Water Enhancement Program, Wetlands Reserve Program, Conservation Stewardship Program, Wildlife Habitat Incentives Program, Farmland Protection Program, Grasslands Reserve Program, Agricultural Management Assistance, Healthy Forests Reserve Program, Chesapeake Bay Watershed Program, and Cooperative Conservation Partnership Initiative.

[6] For additional information on reductions in mandatory program spending, see CRS Report R41245, *Reductions in Mandatory Agriculture Program Spending.*

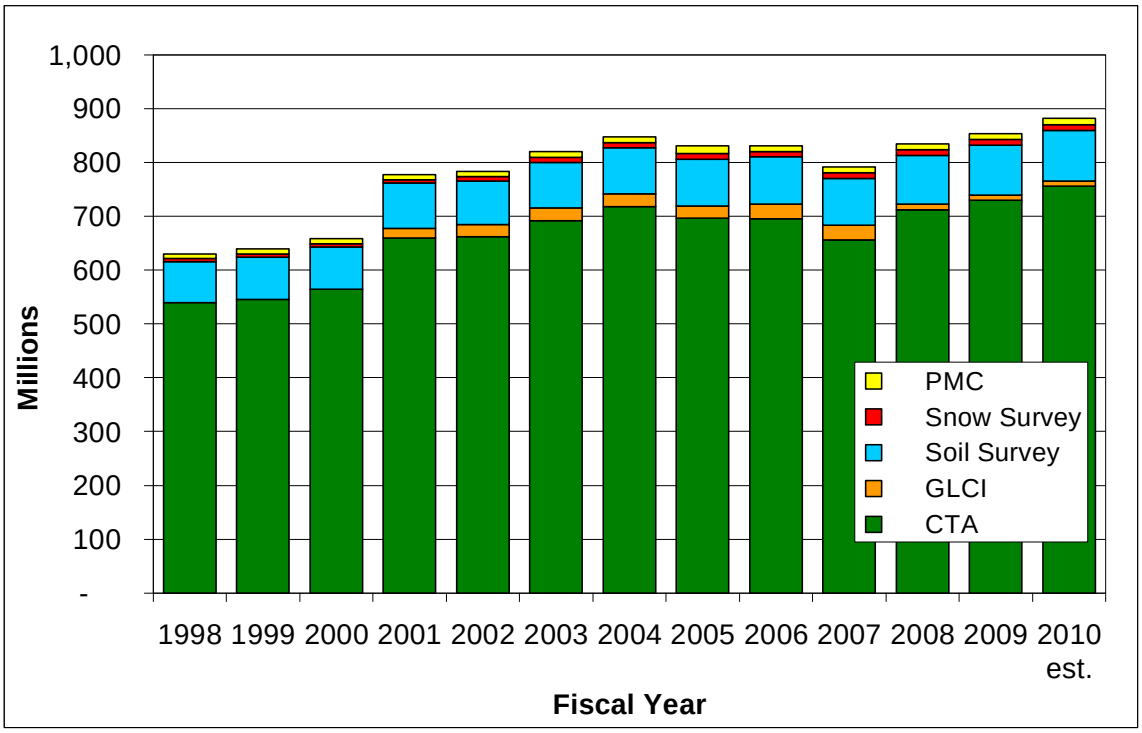
[7] For more information on mandatory and discretionary conservation programs, see CRS Report R40763, *Agricultural Conservation: A Guide to Programs.*

legislation for mandatory programs does not set specific spending levels for technical assistance. Funding allocated to technical assistance in mandatory programs is determined by the Administration, not through appropriation or authorization.

Technical Assistance for Discretionary Programs

Conservation Operations (CO) is the largest discretionary account, and also provides the greatest amount of technical assistance through the Conservation Technical Assistance (CTA) program. CTA provides technical support, conservation planning, and implementation assistance through local field offices in almost every county in the United States (and territories). CTA also funds many of NRCS's collaborative research and data collection projects, such as the Natural Resources Inventory (NRI), which tracks natural resource conditions and trends on non-federal land in the United States. CTA also funds compliance status reviews under highly erodible cropland compliance and wetlands compliance provisions[8] and was funded at close to $756 million in FY2010 (**Figure 1**).

Figure 1. Conservation Operations Appropriations, 1998-2010



Source: Compiled by CRS from Agricultural Appropriations Acts and USDA, NRCS, "Budgetary Explanatory Notes for Committee on Appropriations," FY1998-FY2011.

Notes: Other activities funded through Conservation Operations (CO) include Conservation Technical Assistance (CTA), Grazing Lands Conservation Initiative (GLCI), Soil Survey, Snow Survey, and Plant Materials Centers (PMC).

[8] A compliance status review is an inspection on a tract of land to determine a USDA participant's compliance with the highly erodible lands compliance and wetlands compliance provisions of the Food Security Act of 1985, as amended (16 U.S.C. 3811 et seq.), as a condition for receipt of certain USDA benefits.

The second-largest activity conducted under CO is the Soil Survey program, which maintains an inventory of the soil resources on all U.S. land. This information is publically available and is utilized by not only agricultural interests but increasingly by developers and planners, as well as the transportation industry. Scientists are using soil survey information in studying climate change and evaluating the environmental impacts of land use and management practices.

Other discretionary programs include four watershed programs (Watershed Surveys & Planning, Watershed & Flood Prevention Operations, Watershed Rehabilitation, and Emergency Watershed Protection) that provide technical assistance using various approaches to watershed planning, local coordination efforts, and flood prevention structures. Most watershed program funding is provided as financial assistance through contracts with local partners. The watershed programs were largely created in the 1940s and 1950s in response to flood control and water quantity concerns. Reduced appropriations and an increasing number of congressional earmarks have reduced program support within recent administrations.[9] Congress, however, continues to fund many of these programs through annual appropriations.

The Resource Conservation and Development (RC&D) Program is another discretionary program that establishes or improves coordination systems in rural areas for the development and utilization of natural resources. Funding for the RC&D program largely provides staff support for local RC&D councils across the United States. Very little, if any, financial assistance is provided though this program.

Technical Assistance for Mandatory Programs

Unlike discretionary programs, mandatory programs derive their funding authority from legislation that specifies an annual amount, unless reduced in the appropriations process. Authorizing legislation for mandatory programs does not set specific spending levels for technical assistance. Funding allocated to technical assistance in mandatory programs is determined by the Administration, not through appropriations.

Conservation program advocates prefer mandatory funding to discretionary because supporters believe that it is easier to protect mandatory funding levels than it is to protect spending subject to annual appropriations. Discretionary funding for agriculture conservation technical assistance has remained relatively constant in recent years compared to mandatory funding, which continues to increase. The 2008 farm bill provided much of this increase in mandatory conservation funding and continues to shift NRCS staff from technical assistance funded though discretionary programs to those funded through mandatory programs. Despite this shift, discretionary funding still remains the larger source of technical assistance funding (**Figure 2**).

Most technical assistance activities within mandatory programs are in support of delivering some level of financial assistance as part of a contract or agreement. These activities could include providing designs, standards, and specifications needed to install scheduled conservation practices and activities. According to NRCS policy, all technical assistance prior to a producer entering into a contract for financial assistance is considered to be part of CTA. It is not until after a producer signs a contract for financial assistance, that technical assistance is funded from the individual mandatory program rather than CTA. Once the contract is completed—defined as one

[9] The past several presidential budget proposals (under both Bush and Obama) have requested little to no funding for the watershed programs.

year after the last conservation practice or activity is implemented—mandatory program funds are no longer available to support ongoing assistance in maintaining the conservation plans, practices, and activities implemented under the financial assistance program. If these activities continued to receive technical assistance it would be through CTA. One exception is that mandatory program funding my still be used to follow up on easements, which create an ongoing obligation for management and monitoring.

Funding History for Mandatory Programs

Section 2701 of the 2002 farm bill stated that the Secretary shall provide technical assistance to eligible producers either directly (through NRCS) or through approved third party providers.[10] In late 2002, the Office of Management and Budget (OMB) determined that technical assistance funding for mandatory programs was limited by a cap established in Section 11 (15 U.S.C. 714i) of the CCC Charter Act and enacted in the 1996 farm bill.

In the mid-1990s, the Farm Service Agency (FSA), which manages the operations of the farm commodity support programs, began to utilize CCC funding for large computer expenditures. These purchases were met with criticism for being too expensive and outdated. An amendment to the CCC Charter Act was made in the 1996 farm bill that limited the amount of funds that could be transferred for reimbursement of administrative expenses, referred to as the "Section 11 cap." The 1996 amended language states that "the total amount of all allotments and fund transfers from the Corporation under this section (including allotments and transfers for automated data processing or information resource management activities) for a fiscal year may not exceed the total amount of the allotments and transfers made under this section in the fiscal year 1995."[11] While this cap was not specifically directed toward NRCS and technical assistance, the agency was affected because FSA had been reimbursing NRCS for technical assistance provided in support of the Conservation Reserve Programs (CRP) and Wetlands Reserve Program (WRP), both funded through the CCC.

In late 2002, following the enactment of the 2002 farm bill, OMB determined that the Section 11 cap was still in effect, and used it to limit technical assistance funding within mandatory conservation programs. OMB was supported in an opinion by the Department of Justice, which stated that CO appropriations (discretionary funds) could fund technical assistance for farm bill programs (mandatory funds).[12] Congress disagreed with this determination, believing that the language it had added in the 2002 farm bill allowed for technical assistance for each program to be funded out of allocations for each program. Congress was supported by a Government Accountability Office (GAO, then known as the General Accounting Office) opinion stating that USDA improperly obligated CO appropriations to fund technical assistance for farm bill programs.[13]

[10] Third party providers, also known as technical service providers (TSPs), are discussed later in this report.

[11] 15 U.S.C. Sec. 714i.

[12] U.S. Department of Justice, "Funding for Technical Assistance for Agricultural Conservation Programs," January 3, 2003, at http://www.usdoj.gov/olc/usdasection11.htm.

[13] Government Accountability Office, "Use of Conservation Operations Appropriation to Fund Technical Assistance for Conservation Program Enumerated in Section 2701 of the 2002 Farm Bill," December 13, 2002, at http://www.gao.gov/decisions/appro/300325.htm.

For three years following these opinions, the President's budget included a proposal to fund farm bill program technical assistance through a new separate account using annual appropriations. Congress rejected these proposals and prohibited using any discretionary CO appropriations for technical assistance to implement mandatory farm bill program technical assistance. The combination of this congressional prohibition and OMB's opinion on the Section 11 cap led to the "shifting" of funds for technical assistance between mandatory programs, thereby reducing the amount of financial assistance funding available in the "donor" programs. In FY2003, the Environmental Quality Incentives Program (EQIP), authorized at $700 million,[14] used $145 million for technical assistance. However, technical assistance shortfalls in other programs led to the shifting of more than $107 million in additional technical assistance funding from EQIP to those programs, thereby reducing the available EQIP financial assistance funding to $442 million. The Farmland Protection Program (FPP), Grassland Reserve Program (GRP), and Wildlife Habitat Incentives Program (WHIP) shifted a total of $50 million to other programs in FY2003.

In late 2004, Congress addressed the funding situation with a new law (P.L. 108-498) requiring technical assistance for each mandatory program to be paid from funds provided to that program each year. It prohibits the use of discretionary program funds for technical assistance in mandatory programs, and the transfer of funds among mandatory programs.

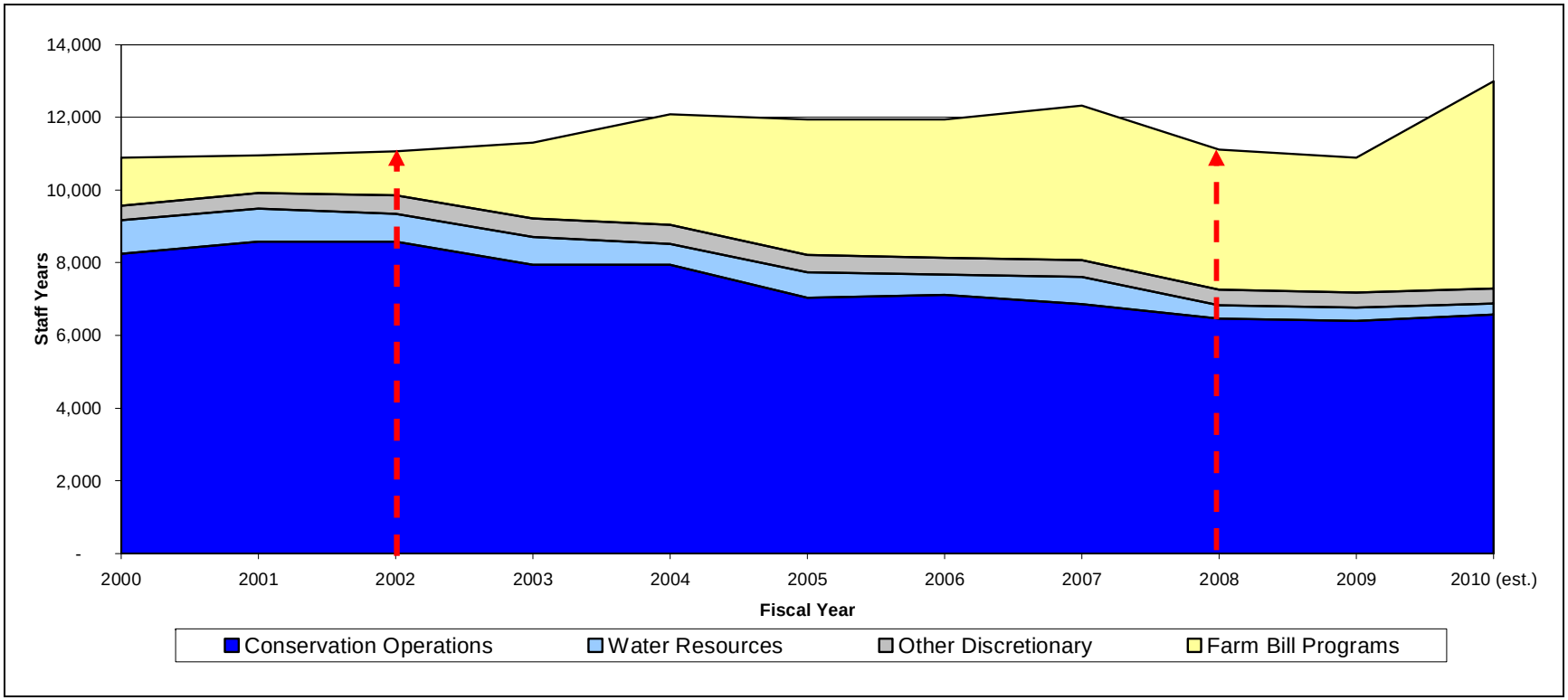
Despite the P.L. 108-498 amendment and the enactment of the 2008 farm bill (P.L. 110-246), the issue of whether CCC funds could be used for technical assistance remained. Congress again addressed it, this time through section 103 of the American Recovery and Reinvestment Act of 2009 (Recovery Act, P.L. 111-5). The Recovery Act states that CCC funds may be used "for the purpose of covering salaries and related administrative expenses, including technical assistance, associated with the implementation of the program, without regard to the limitation on the total amount of allotments and fund transfers contained in section 11" of the CCC Charter Act.[15] The provision only applies to FY2009 and FY2010 and does not include activities under Title I of the 1985 farm bill, as amended.[16] Congress might address this issue again because funding authority for most farm bill programs expires at the end of FY2012.

[14] EQIP was authorized in the 2002 farm bill (P.L. 107-171, Sec. 2701) at $700 million for FY2003, but was limited to $695 million in the FY2003 agriculture appropriations act.

[15] Sec. 103(1) of P.L. 111-5.

[16] This includes most of the farm commodity support programs.

Figure 2. NRCS Historical Staff Funding Source Trends



Source: Compiled by CRS using Administration Budget Notes FY2000-FY2011.

Notes: Conservation Operations include staff years for: Conservation Technical Assistance (CTA), Soil Survey, Snow Surveys & Water Supply Forecasting, and Plant Materials Center. Water Resources include staff years for: Watershed Surveys & Planning, Watershed & Flood Prevention Operations, and Watershed Rehabilitation. Other Discretionary include staff years for: Resources Conservation & Development (RC&D) Program, Healthy Forest Reserve Program (before 2009), Great Plains Conservation Initiative (GPCI), Colorado River Salinity Control (CRSC) Program, Rural Abandoned Mines Program (RAMP), and Trust Funds. Farm Bill Programs include staff years for: Wetlands Reserve Program (WRP), Environmental Quality Incentives Program (EQIP), Ground and Surface Water Conservation Program (GSWC, before 2009), Klamath Basin Program (before 2009), Agricultural Water Enhancement Program (AWEP), Chesapeake Bay Watershed Program, Wildlife Habitat Incentives Program (WHIP), Farmland Protection Program (FPP), Conservation Security Program (CSP), Conservation Stewardship Program (CSP), Grasslands Reserve Program (GRP), Agricultural Management Assistance (AMA), Healthy Forest Reserve Program (HFRP, after 2008), and Conservation Reserve Program (CRP). The red dotted lines indicate years when omnibus farm bills were enacted.

Determining Funding for Mandatory Program Technical Assistance

Since FY2002, annual agriculture appropriations acts have placed limits on funding below authorized levels for certain mandatory conservation programs.[17] Many of these reductions support Administration requests through the President's proposed budget each year. While program reductions vary from year to year, two trends are clear: (1) a gap exists between authorized and appropriated levels; and (2) despite this gap, overall funding for conservation continues to grow.

Technical assistance for mandatory programs is determined by NRCS as a percentage of the overall authorized funding. NRCS uses a model (referred to as the cost of programs model) to estimate the total cost of technical assistance necessary to administer each mandatory program. This model came under scrutiny by GAO in 2004, when it reported the model's inaccuracies in estimating technical assistance costs.[18] According to GAO, these inaccuracies were a result of delays in technical assistance work, the inclusion of external costs not reported in actual costs, and inaccurate assumptions. In 2006, NRCS conducted a national update to more accurately ascertain the true workload cost of providing technical assistance, called Activity Based Costing (ABC) data. These data were collected at national, state, and county levels.

Though NRCS uses the updated model to estimate the level of technical assistance funding needed for each program, the agency does not have total control in determining the actual level of funding provided for technical assistance. Instead, this level is set nationally by an OMB apportionment.[19] After NRCS receives an apportionment, the funding available for both financial and technical assistance is allocated to NRCS state offices. The NRCS State Conservationist is then responsible for administering the state allocation. In FY2009, technical assistance funding for mandatory programs was distributed to states, by program, using the formulas unique to each program.[20] Based on correspondence with USDA, a similar method of allocating funds was also used in FY2010.

NRCS & FSA—History of Payments

Between 1935 and 1994, the primary function of NRCS (then known as the Soil Conservation Service, SCS) was to provide conservation technical assistance to landowners. This assistance shifted slightly in the 1940s and 1950s with the small watershed programs,[21] and again in 1985

[17] For more information on mandatory program funding reductions, see CRS Report R41245, *Reductions in Mandatory Agriculture Program Spending*.

[18] Source: Government Accountability Office, "USDA Should Improve Its Methods for Estimating Technical Assistance Costs," November 2004, at http://www.gao.gov/new.items/d0558.pdf.

[19] After budget authority is enacted, the agency is not permitted to obligate the funds until OMB apportions them to the agency. This apportionment usually includes the Administration's expectations, limitations, and requirements for implementing the funds (e.g., how much may be used for technical assistance). Source: Office of Management and Budget, *Preparation, Submission and Execution of the Budget*, OMB Circular A-11, August 7, 2009, p. II.5.2, http://www.whitehouse.gov/omb/circulars/a11/capbud.pdf.

[20] Also see USDA, Natural Resources Conservation Service, "Fiscal Year 2009 Program Allocation Formulas & Methodologies," at http://www.nrcs.usda.gov/programs/pdf_files/2009_Allocation_Formulas.pdf.

[21] The Flood Control Act of 1944 (P.L. 78-534) and the Watershed Protection and Flood Prevention Act of 1954 (P.L. 83-566), are still authorized today within watersheds of 250,000 acres or less. These projects, because of this limit, became known as the small watershed program. For additional information, see CRS Report RL30478, *Federally* (continued...)

with the introduction of conservation compliance.[22] It was not until the 1990s that NRCS assumed greater responsibility in USDA's financial assistance programs for conservation. As part of the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (P.L. 103-354), USDA was reorganized. On October 13, 1994, through a USDA memorandum (1010-1) the Soil Conservation Service was renamed the Natural Resources Conservation Service. The newly created NRCS also received responsibility for the Wetlands Reserve Program (WRP), Water Bank, Colorado River Basin Salinity Control, and Forestry Incentives programs from the Agricultural Stabilization and Conservation Service (now known as the Farm Service Agency).[23] While leadership for these programs transferred to NRCS, the function of making payments to program participants remained with FSA.

Following enactment of the 1996 farm bill (P.L. 104-127), NRCS became responsible for administering the Environmental Quality Incentives Program (EQIP), a combination of several financial assistance programs. NRCS was given the leadership role for the financial as well as the technical aspects of the conservation programs, including developing the type of practices available, assisting producers with preparation of applications, ranking applications, and checking on installation of practices. The payment function for EQIP, WRP, and other conservation programs administered by NRCS remained with FSA. It was not until the enactment of the 2002 farm bill (P.L. 107-171) that NRCS became responsible for most of the conservation programs under the conservation title, including payment responsibility. FSA retained the administration of the Conservation Reserve Program (CRP), with NRCS continuing to provide technical assistance; administration of the Grasslands Reserve Program (GRP) was split between NRCS and FSA. The increase in responsibility following the 2002 farm bill came with an expanding list of natural resource concerns and a significant increase in funding authority.[24]

Despite the transition of program leadership, some functions continue to be maintained by each agency. NRCS continues to be the leader for the technical assistance of conservation programs (e.g., planning, practice standards, etc.). FSA continues to be the leader for participant eligibility determinations (e.g., adjusted gross income, compliance records, etc.). For programs that involve both agencies (e.g., CRP and GRP) NRCS and FSA have a memorandum of agreement (MOA) or memorandum of understanding (MOU) that divide responsibilities (**Appendix B**).

(...continued)

Supported Water Supply and Wastewater Treatment Programs.

[22] The 1985 farm bill (P.L. 99-198) authorized conservation compliance (commonly referred to as *sodbuster*) and wetlands compliance (commonly referred to as *swampbuster*) requirements, transforming many technical assistance functions that NRCS historically performed by requiring enforcement of conservation under certain circumstances. Sodbuster prohibits participation in numerous specified USDA programs when annually tilled commodity crops are produced on highly erodible land (HEL) without adequate erosion protection. Swampbuster provisions prohibit participation in numerous specified USDA programs when annually tilled commodity crops are produced, or land is drained to make production possible, on certified wetlands. SCS had, and NRCS (successor to SCS) continues to have, primary responsibility for providing technical assistance to determine whether land should be classified as highly erodible or a wetland.

[23] Helms, Douglas, "Technical Assistance—The Engine of Conservation," March 2005, at http://www.nrcs.usda.gov/about/history/articles/CTA_17Mar_Draft3.pdf.

[24] Ibid.

Non-Federal Technical Assistance

The current conservation technical assistance network includes more than just the federal USDA component. State and local governments, for-profit businesses, non-profit organizations, universities, and other entities expand the capacity to deliver technical assistance beyond the federal government's abilities.[25] Locally led conservation districts are one of the largest parts of this network. Over 3,000 conservation districts, authorized by the states and administered at the county level, coordinate conservation and natural resource interests among private landowners. These districts traditionally work closely with federal employees in local and county field offices as well as with local officials to provide assistance to private landowners and managers.[26] The conservation district network adds capacity to the federal network providing technical assistance.

Role of Third Party Providers

The 2002 farm bill allowed producers to retain approved third party providers for technical assistance as a way of maintaining and expanding the technical capacity for agricultural conservation programs. NRCS refers to these individuals as technical service providers (TSPs). NRCS and local conservation districts traditionally provide technical services, and continue to do so; however, the addition of TSPs allows USDA to reimburse producers for technical assistance provided by a certified third party. TSPs may be individuals, entities, or public agencies. The majority of TSPs are from the private sector (average of 58% between FY2003 and FY2009).[27] The majority of non-private TSPs are state agencies, non-governmental organizations, and soil and water conservation districts. As of February 2010, 1,141 TSPs were certified by NRCS nationwide.

TSP Activities

NRCS sets the qualifications for approving individuals and entities to provide specified types of technical assistance. Once a TSP registers with NRCS (through their TechReg website), it must become certified to perform specific technical services. To become certified, a TSP must meet a set of criteria and complete any associated training required. TSPs must recertify with NRCS every three years. Currently, TSPs may be certified in 42 categories. Between FY2004 and FY2009, nutrient management (including various areas of focus) is the largest area of certification. This is due in part to the high demand placed on nutrient management plans and handling animal manure in accordance with the Clean Water Act and EPA's rules for Confined Animal Feeding Operations (CAFO), as well as state-level requirements.[28] Pest management is the second-largest area of certification.[29]

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[25] It is necessary to recognize non-federal organizations' role when discussing the capacity for technical assistance; however, it is not the focus of this report. This section discusses non-federal technical assistance providers' role in the federal system.

[26] National Association of Conservation Districts, "About Conservation Districts," September 2010, at http://www.nacdnet.org/about/districts/index.phtml.

[27] In FY2009, 62% of all entities participating as TSPs were from the private sector. Source: *Technical Service Provider*, USDA, NRCS, Fiscal Year 2009 Report to Management, Washington, DC, October 2009.

[28] Ibid.

[29] Other popular certification areas include land treatment (tillage, erosion, surface water management, buffers, and (continued...)

TSPs perform a number of technical services, including conservation planning and design, layout, installation, and the monitoring of approved conservation practices. **Table 1** includes the three most common conservation practices planned and applied in FY2009 by TSPs based on the total number (without regard to unit of measure), total acres, and total feet.

Rates and Funding

Technical assistance can be provided by TSPs through two primary means: (1) individual producers contract individually with certified TSPs; or (2) NRCS enters into cooperative agreements directly with certified TSPs. If a producer wants to use a TSP instead of NRCS for technical service, it must be established as part of the producer's conservation program contract with NRCS (otherwise the producer might not get reimbursed for the service). The producer would then select a TSP from the approved NRCS list, hire the TSP, and pay the TSP for the technical service provided. The producer would then be reimbursed by NRCS for the technical services.[30] NRCS may not reimburse TSPs for more than it would cost NRCS to perform the same task(s). Funding limitations are specific for each task TSPs are permitted to perform and can vary by county. These limitations are referred to as technical service payment rates (formerly referred to as "not-to-exceed rates"). The TSP can be paid directly if the producer requests a payment assignment for the payment to be made directly to the TSP.

Table 1. Three Most Common Conservation Practices Planned and Applied by a TSP

FY2009

	Planned	Applied
Top Three Conservation Practices Based on Number		
Nutrient Management	3,342	4,364
Pest Management	3,238	3,123
Upland Wildlife Habitat Management	2,910	1,785
Top Three Conservation Practices Based on Acres		
Prescribed Grazing	158,154	85,666
Upland Wildlife Habitat Management	132,235	84,874
Pest Management	111,171	123,888
Top Three Conservation Practices Based on Feet		
Firebreak	1,514,801	1,324,906
Fence	700,571	667,291
Pipeline	431,020	174,887

(...continued)

vegetative land stabilization), surface water detention/retention, forestry, water management (drainage), irrigation (water conveyance and application), certified conservation planning, wetlands engineering, and channel and streambank stabilization.

[30] USDA, NRCS, *General FAQ*, "What is the reimbursement procedure for Technical Service Providers?," August 29, 2007, http://techreg.usda.gov/FAQ.aspx?id=1.

Source: *Technical Service Provider*, USDA, NRCS, Fiscal Year 2009 Report to Management, Washington, DC, October 2009.

NRCS may also enter into cooperative agreements directly with certified TSPs. This is usually done through departmental acquisition of their services through contracts, cooperative agreements, and contribution agreements.

The 2008 farm bill authorizes TSPs to be funded through any conservation program under section 1241 of the 1985 farm bill[31] and the Agricultural Management Assistance (AMA) program. EQIP continues to be the primary program using the services of TSPs, accounting for 54% of all TSP funds since FY2003. On average, $46 million is obligated annually for TSPs (**Table 2**). This is a relatively small portion of the overall level of technical assistance provided annually by USDA.

Table 2. TSP Obligations and Payments

Dollars in millions

Fiscal Year	Obligations	Payments	Percent Disbursed
2004	$48	$47	97%
2005	$50	$48	97%
2006	$55	$53	97%
2007	$42	$40	96%
2008	$35	$32	89%
2009	$48	$25	52%
2010[a]	$10	$1.5	15%
Total	$289	$247	86%

Source: USDA, NRCS, *Technical Service Provider*, Mid Year Report to Management, Fiscal Year 2010, Washington, DC, 2010, p. 1.

Notes: TSPs were first implemented in FY2003; however, data is not available for that year.

a. Only includes information through the second quarter of FY2010.

Conservation Activity Plan (CAP)

Traditionally, technical assistance provides the planning, design, and technical consultation functions, while financial assistance offers monetary support for implementation capacity. Section 2502 of the 2008 farm bill amends section 1240A(5)(B) of the 1985 farm bill by defining certain conservation activities involving the development of plans as an eligible practice under EQIP. This allows NRCS to pay for conservation planning—previously funded as technical assistance—through financial assistance. Section 2502 specifically includes comprehensive nutrient management planning (CNMP) and allows USDA to include other plans as necessary. NRCS refers to these plans as conservation activity plans (CAPs) and has expanded the list of eligible CAPs to include

[31] These programs include Conservation Reserve Program (CRP), Wetlands Reserve Program (WRP), Conservation Stewardship Program (CSP), Farmland Protection Program (FPP), Grassland Reserve Program (GRP), Environmental Quality Incentives Program (EQIP), and Wildlife Habitat Incentives Program (WHIP)

- comprehensive nutrient management (CNMP);
- comprehensive air quality management;
- fish and wildlife management;
- forest management;
- grazing management;
- integrated pest management;
- drainage water management;
- irrigation water management;
- energy management;
- conservation plans supporting organic transition;
- transition from irrigation to dryland; and
- pollinators habitat.

CAPs are completed as part of an EQIP contract.[32] EQIP allows program payments to be made for up to 75% of the estimated incurred cost of practice implementation, which for a CAP would be the development of a conservation plan. CAPs must meet NRCS standards and requirements and are performed by a certified TSP. EQIP payments are made to the program participant who then reimburses the TSP for the CAP. NRCS continues to provide the majority of technical assistance for EQIP, including development of plans eligible under CAPs; however, EQIP has historically served as the primary program for funding TSP activities.[33] The use of CAPs funded with financial assistance dollars has increased EQIP's role for TSP service.

Agriculture Conservation Experienced Services (ACES)

Another avenue for expanding the technical assistance capacity is through a newly authorized program, Agriculture Conservation Experienced Services (ACES). Section 2710 of the 2008 farm bill authorized the use of technical services provided by individuals 55 and older and not employed by the USDA or a state agriculture department. Tasks preformed under ACES must be technical and not administrative. They must also support current conservation program activities authorized in the 2008 farm bill, with the exception of CRP, WRP, GRP, and CSP. According to NRCS, approximately $7.6 million was obligated for the ACES program in FY2009.

Current Issues

Understanding how conservation technical assistance works and is funded addresses only a portion of the misconceptions and questions about this topic. As Congress assesses the current

[32] For additional information about EQIP, see CRS Report R40197, *Environmental Quality Incentives Program (EQIP): Status and Issues*.

[33] Other conservation programs also fund TSP activities, however, EQIP accounts for 54% of all TSP funds since its inception in 2003. Source: Barbara Eggers, *Technical Service Provider*, USDA, NRCS, Fiscal Year 2009 Report to Management, Washington, DC, October 2009.

need and demand for technical assistance, many questions remain. A more recent means of addressing the capacity to meet technical assistance demand is through third party providers. The confusion surrounding two terms—*technical assistance* and *administrative support*—is also discussed, as well as the current impact of congressional directives on technical assistance and the Administration's technical assistance streamlining initiative.

Technical Assistance vs. Administrative Support

Though these two terms, *technical assistance* and *administrative support*, are generally considered separate, in the case of funding technical assistance the terms do not appear mutually exclusive and are occasionally used interchangeably. A debate still continues between USDA and Congress over whether funding provided for technical assistance is preferable to providing funding for salaries and expenses. Within Congress and USDA there are different interpretations of the two terms. USDA/NRCS tends to favor the term technical assistance, while Congress is divided on the issue. Some observers claim that both terms would appear to provide the same service with different titles.

The long-standing lack of definition for technical assistance heightened the confusion between technical assistance and administrative support. Following the amendment in the 2008 farm bill, some clarity was reached; however, the debate continues. The 2008 farm bill amendment includes many of the terms associated with administrative support, such as "technical infrastructure, including activities, processes, tools, and agency functions needed to support delivery of technical services." The definition stops short of dividing technical assistance from what some consider administrative support, and much of the debate focuses less on defining technical assistance and more on who should be performing it.

Few seem to question the merits of providing technical assistance for agricultural conservation. Many consider ready access to science-based conservation knowledge to be one of the strengths of American agriculture.[34] Much of the debate surrounding technical assistance has shifted to defining the different aspects of administrative support and who (meaning which agency within USDA) should be providing the support. This debate appears to have grown out of the 2002 farm bill, which brought an increase in funding for conservation program financial assistance. Also following the 2002 farm bill, USDA shifted full program administration for many conservation programs to NRCS, including contract administration, a task previously performed by FSA. Because Congress delegates most farm bill programs to the Secretary, not individual agencies, this was an administrative decision regarding the division of labor.

Some have testified before Congress that program administration for conservation programs should be shifted back to FSA,[35] citing FSA's long-standing experience processing applications, maintaining records, and making payments to producers for commodity programs as the basis for this change. This point could be countered with evidence about FSA's issues with improper

[34] Environmental Defense and Soil and Water Conservation Society, *An Assessment of Technical Assistance for Farm Bill Conservation Programs*, September 2007, http://www.swcs.org/documents/filelibrary/TechnicalAssistanceAssessment.pdf.

[35] U.S. Congress, House Committee on Agriculture, Subcommittee on Conservation, Credit, Energy, and Research, *Testimony of Mr. John Lohr, Vice President National Association of FSA County Office Employees (NASCOE)*, Hearing to Review the Administration and Delivery of Conservation Programs, 111th Cong., 2nd sess., July 1, 2010.

payments and antiquated computing system.[36] Those within the conservation community seem to favor NRCS as the lead for program administration and highlight some of the strides made by the agency since 2002.[37] Despite the advances, NRCS also has had its share of financial issues highlighted in recent financial audits.[38]

Streamlining Initiative

In January 2009, NRCS responded to concerns about the agency's ability to administer programs by formally initiating the Conservation Delivery Streamlining Initiative. The agency recognizes that its expanded role following the 2002 farm bill led to administration challenges.[39] According to NRCS, delivering both technical and financial assistance programs through one agency (NRCS) simplified program participation for customers and centralized the delivery of most USDA conservation programs.[40] Despite this possible efficiency gain, the development of tools and cumbersome processes overburdened the field technical staff, leaving little time for on-site planning and technical assistance.[41] NRCS reports that field conservationists often spend as little as 20%-35% of their time in the field working with customers.[42]

The purpose of the initiative is to define and implement a more effective, efficient, and sustainable business model for delivering conservation assistance. Three overarching objectives were identified for this effort: (1) simplify conservation delivery (for both producers and staff); (2) streamline business processes; (3) ensure science-based assistance (technically sound products and services).

TSP Streamlining Initiative

In conjunction with the agency-wide initiative, NRCS also reviewed its implementation of the TSP program, which began in the winter of 2003. By October 2004, over 2,100 entities (individuals and businesses) were certified TSPs. In 2009, the number of active TSP entities had

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[36] USDA Office of Inspector General, *Commodity Credit Corporation Financial Statements for Fiscal Years 2009 and 2008*, Audit Report 06401-24-FM, Washington, DC, November 2009, pp. 15-18, http://www.usda.gov/oig/webdocs/06401-24-FM.pdf and U.S. Government Accountability Office, *Federal Farm Programs - USDA Needs to Strengthen Management Controls to Prevent Improper Payments to Estates and Deceased Individuals*, GAO-07-1137T, July 24, 2007, http://www.gao.gov/new.items/d071137t.pdf.

[37] U.S. Congress, House Committee on Agriculture, Subcommittee on Conservation, Credit, Energy, and Research, *Testimony of Mr. Steve Robinson, President National Association of Conservation Districts (NACD)*, Hearing to Review the Administration and Delivery of Conservation Programs, 111th Cong., 2nd sess., July 1, 2010, p. 4.

[38] USDA, Office of Inspector General, *Natural Resources Conservation Service's Financial Statements for Fiscal Year 2009*, Audit Report 10401-3-FM, Washington, DC, November 2009, http://www.usda.gov/oig/webdocs/10401-3-FM.pdf. For additional information, also see CRS Report R40692, *Agricultural Conservation Issues in the 111th Congress*.

[39] U.S. Congress, House Committee on Agriculture, Subcommittee on Conservation, Credit, Energy, and Research, *Testimony of Mr. Dave White, Chief, Natural Resources Conservation Service U.S. Department of Agriculture*, Hearing to Review the Administration and Delivery of Conservation Programs, 111th Cong., 2nd sess., July 1, 2010.

[40] USDA, NRCS, *Conservation Delivery Streamlining Initiative*, Overview, May 2010.

[41] In addition to providing technical assistance, NRCS field staffs now manage about 400,000 farm bill program contracts nationwide.

[42] USDA, NRCS, *Conservation Delivery Streamlining Initiative*, Overview, May 2010.

fallen to below 1,200.[43] Anecdotal information suggested that TSPs had become frustrated with NRCS and the TSP program.

After extensive review,[44] NRCS narrowed program concerns down to six primary areas: registration and certification; training; acquisition of services; payment rates for producers and direct payments to TSPs; quality assurance; and business tools. Most comments centered around regulatory "hoops" required for registration and certification, such as accessing USDA's computer system, security requirements, and training. NRCS points to many of these requirements as being statutory (e.g., confidentiality concerns), governing the relationship between the federal government and the private sector.[45] NRCS is proceeding with streamlining the program to address the identified concerns and is attempting to simplify its TSP business processes where possible.

Congressional Directives

The level of funding that is congressionally directed through conference report and bill language in the annual appropriations act has decreased in recent years.[46] The decline came after reaching a peak in FY2006, when a year-long continuing resolution in FY2007 did not include earmarks (**Figure 3**). Also in 2007, the House and Senate established new earmark transparency procedures for their respective chambers, which could also account for the decline.[47] As demand for technical assistance continues to grow, the role of congressionally directed funding could place additional strain on the current capacity to deliver technical assistance if earmarks return to historical levels. What impact these directives have on this capacity remains to be seen. Virtually all of the directed funding in agricultural conservation programs is for discretionary programs.

[43] USDA, NRCS, *Technical Service Provider Streamlining Team*, Report and Recommendations, Washington, DC, September 23, 2009.

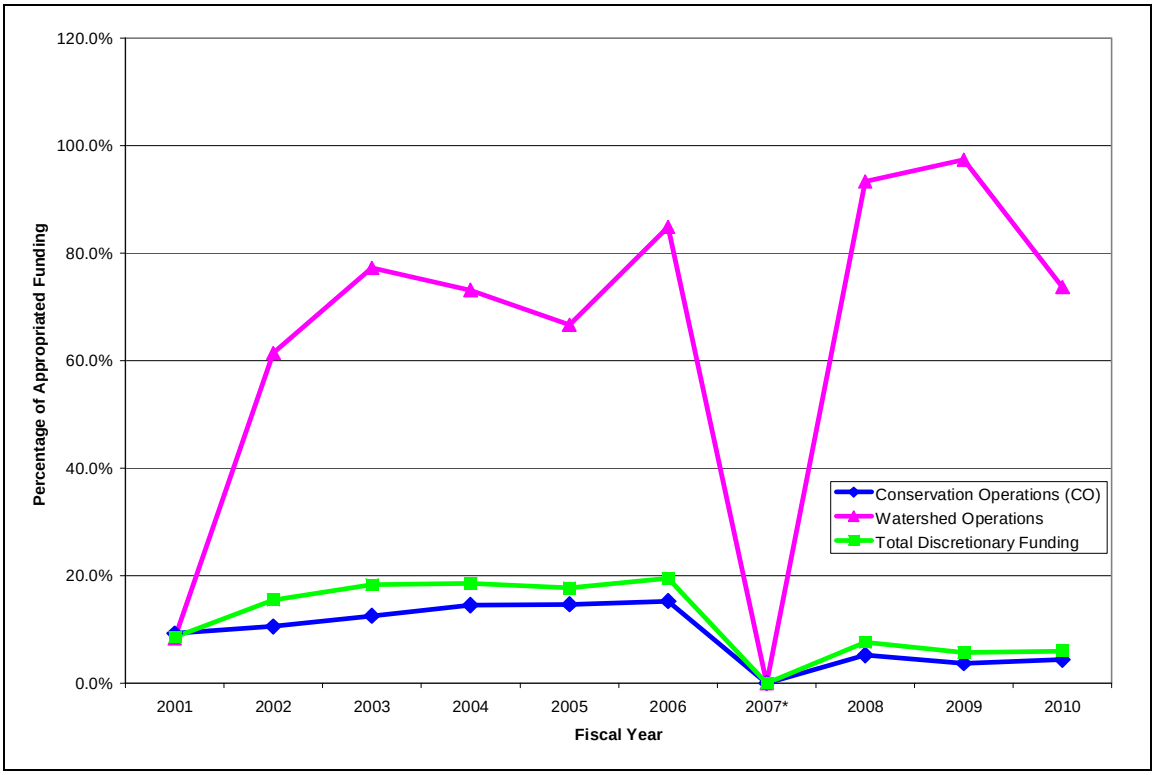
[44] The review included input from TSPs, TSP state coordinators, NRCS field staff, state agencies, and conservation organizations. Input was provided through direct comments (111 total) from TSPs (69) and NRCS employees (42), and surveys (430 responses) sent to all active TSPs.

[45] USDA, NRCS, *Technical Service Provider Streamlining Team*, Report and Recommendations, Washington, DC, September 23, 2009.

[46] Congressional directives refer to funding directed to specific projects, locations, or entities in conference report and bill language. These are often referred to as earmarks.

[47] For additional information, see CRS Report R40976, *Earmarks Disclosed by Congress: FY2008-FY2010 Regular Appropriations Bills*.

Figure 3. Congressional Directives as a Percentage of Discretionary Program Appropriations (2001-2010)



Source: Communications and documentation received from USDA, Natural Resources Conservation Service staff, October 2010.

Notes: Watershed Operations includes P.L. 78-534 and P.L. 83-566 projects. In FY2007, a full year continuing resolution was enacted that did not include earmarks.

These congressional directives can be divided into three categories. The first type is when congressional language dictates the specific amount of technical assistance funding and for what purpose. For example, in FY2010 the manager's report directed technical assistance funding for the NRCS plant materials center in Hawaii.[48] A second type is similar to the first, but it directs financial assistance funding to specific projects. These directives are seen more in the watershed programs. For example, in FY2010, congressional language directed over $5.5 million in Watershed and Flood Prevention Operations program funding to specific watershed projects located in West Virginia.[49] A third type is what the Administration calls "pass-through" funding, in which the agency is directed to enter into agreements with specific external entities (ranging from non-profits to state or local governments) for congressionally specified amounts. These funds are not used for technical assistance provided by NRCS and are therefore passed through directly to the external entity. In FY2010, "pass-through" agreements were directed in Conservation Operations program funding for over $14 million.[50]

[48] H.Rept. 111-279, Title II, p. 74.

[49] H.Rept. 111-279, Title II, p. 75.

[50] Communications and documentation received from USDA, Natural Resources Conservation Service staff, October 2010.

Congressional directives direct most funding within the Watershed Operations programs (P.L. 78-534 and P.L. 83-566). In FY2010, approximately 74% of appropriations funding (both financial and technical assistance) for these programs was directed by Congress to specific projects.[51] In FY2009, congressional directives for Watershed Operations projects peaked at 97% of appropriated funding. Conservation Operations (CO) had seen an increase in congressional directives between FY2001 and FY2006, but they have leveled off in recent years (see **Figure 3**). CO contains the largest number of pass-through directives and the highest level of funding directed. While recent years are below the highest level of directives in FY2006 ($127 million), the resulting reduction in available technical assistance funding creates concerns as the demand for technical assistance continues to grow (see **Figure 4**).

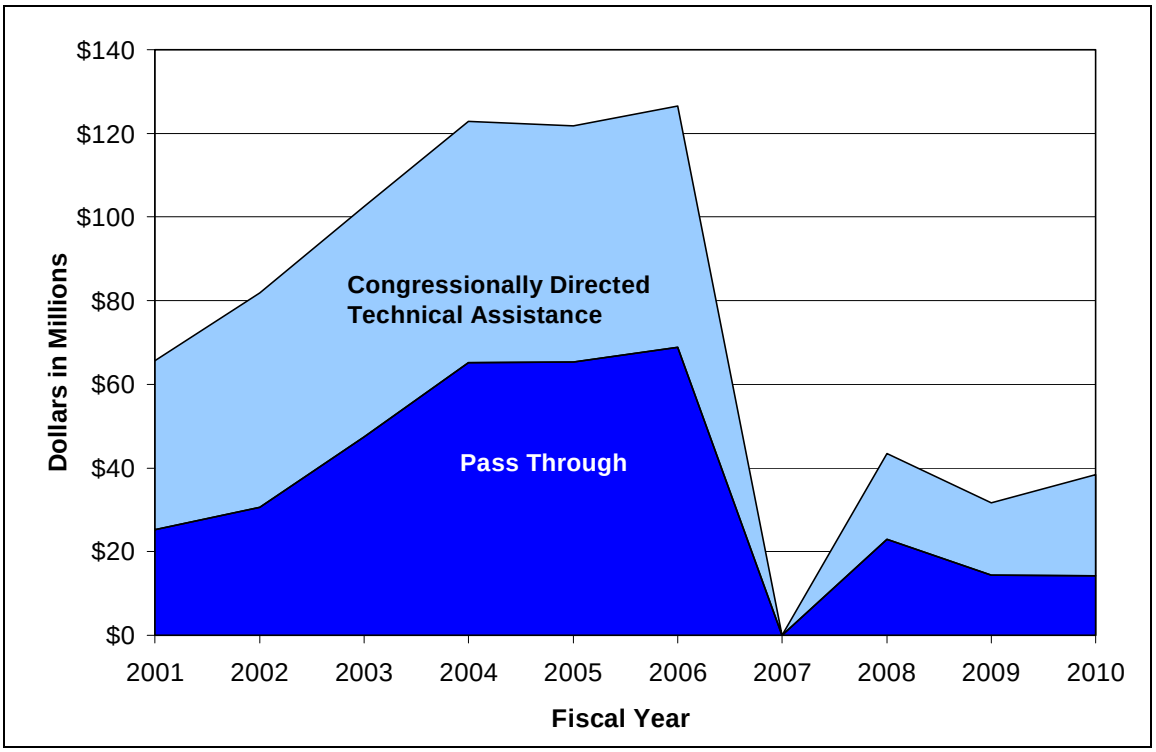
Outlook for Technical Assistance

Technical assistance varies in its activity, implementation, and funding across conservation programs. When conservation programs received a large increase in funding in the 2002 farm bill, some questioned whether the traditional technical assistance infrastructure could meet the increase in demand that would accompany additional conservation funding. Now, as the 2008 farm bill is implemented and the 2012 farm bill is debated, an evaluation of this capacity will likely influence how technical assistance will look in the future.

Capacity refers to the ability to serve the needs of customers in a timely manner. In the case of technical assistance, customers include private landowners, tribes, state and local governments, and cooperative partners. Multiple factors contribute to the capacity to provide technical assistance: human capital, technology, mission goals, and funding. Additional questions about this capacity are raised during this discussion, and though the availability of data somewhat limits answering these questions, they are intended to shape and inform future discussions on technical assistance.

[51] For additional information, see CRS Report R40721, *Agriculture and Related Agencies: FY2010 Appropriations*.

Figure 4. Conservation Operations Congressional Directives, 2001-2010



Source: Communications and documentation received from USDA, Natural Resources Conservation Service staff, October 2010.

Notes: In FY2007, a full-year continuing resolution was enacted that did not include earmarks or pass-through funding.

Human Capital

Currently NRCS employs roughly 11,800 full- and part-time employees.[52] Most employees—approximately 11,400—are located in state, area, county, or regional technology service offices. According to NRCS, 82% of its offices directly provide financial and technical assistance service. This network of local field and state offices has been used to provide conservation technical assistance for decades.

A traditional approach to expanding the capacity to provide technical assistance had been to draw on the capabilities of partnering organizations, such as local soil and water conservation districts. Increasingly private, for-profit firms are playing an active role in providing technical assistance. Other organizations at state levels, such as state departments of natural resources and wildlife, water districts, and environmental and land management interests contribute to the overall network of technical assistance providers.

Section 2701 of the 2002 farm bill (P.L. 107-171) expanded the human capital capacity that provides conservation technical assistance with the authorization of third party providers, referred to by NRCS as technical service providers (TSPs), described earlier. Whether the program may

[52] USDA, *FY2011 Budget*, Explanatory Notes for Committee on Appropriations, February 2010.

expand in the future will likely be important in any discussion about how much additional capacity might be available.

Discussion Questions

- In 1985, SCS employed roughly 13,900 full- and part-time employees.[53] In 2009, its successor agency, NRCS, had approximately 11,800 full- and part-time employees.[54] Considering the advances in technology, expansion of mission, and increases in funding, if mandatory conservation programs were fully funded and provided all authorized financial assistance, would there be enough technical assistance capacity currently available to implement them properly?
- Certified third party providers have expanded the pool of available technical assistance to private landowners. How much additional capacity has been provided by third parties and how much additional capacity could they provide? What additional technical services could be provided? In 2004, over 2,100 entities were certified as TSPs. In 2009, the number had fallen below 1,200.[55] What has caused this reduction in TSP participation and is this an issue that Congress should address?
- If increased capacity is sought using TSPs, related issues are the location and availability of providers. In some cases, third party providers are not available locally. What are the practical limits of the TSP option given the potential limits on availability? Is the cost of certification too high, causing technical providers to not apply, or is the reimbursable fee schedule too low, discouraging potential TSPs from participating?
- The ACES program is intended to support the technical assistance capacity for farm bill conservation programs by utilizing qualified retired individuals. With many technical assistance organizations, both public and private, experiencing high levels of retirement, does the ACES program provide adequate technical capacity to fill the gap created by retirement? How has the loss of technical knowledge due to retirement affected the capacity to provide technical assistance, and is this trend expected to continue? Are there other replenishing mechanisms to help fill the need for technical personnel?

Technology

With a growing demand on resources and time, organizations look to more efficient ways to deliver service by streamlining and reorganizing business processes. Historically, local conservation districts provided a local entity through which conservation technical assistance could be delivered. Different landscapes and limited resources do not allow for multiple specialists to be on hand for each conservation plan or technical consultation. As local soil conservationists (employees of NRCS) were placed throughout the country, usually at the county

[53] As another historical reference, in 1945, SCS employed 12,328 full and part-time employees, an employment level that has remained constant over time. Simms, D. Harper, *The Soil Conservation Service* (New York, NY, 1970).

[54] USDA, *FY2011 Budget*, Explanatory Notes for Committee on Appropriations, February 2010.

[55] USDA, NRCS, *Technical Service Provider Streamlining Team*, Report and Recommendations, Washington, DC, September 23, 2009.

level in conservation district offices, materials and handbooks were developed to provide guidance across disciplines. This guidance, known as the field office technical guide, contains technical information about the conservation of soil, water, air, and related plant and animal resources tailored to each county. These guides represent the collective knowledge of technical assistance. Specialists in areas such as engineering, agronomy, and rangeland management are available at the state or regional level for specific consultation. The field office technical guide remains the primary source of localized information on conservation technical assistance and is available online for every county.[56] In addition to the field office technical guide, technology has helped provide technical assistance to more producers in many other ways.

How technological advances get put into practice on lands is another function of technical assistance. Technology transfer and education have historically been a service of NRCS, local conservation districts, and partnering organizations, most notably USDA Extension Service.[57] NRCS has developed a Science and Technology Consortium to acquire, develop, and transfer technology. The consortium, consisting of NRCS technology specialists and cooperating scientists, communicates within NRCS and with external partners, including colleges, universities, non-government organizations, and the private sector to transfer technological advances into practical applications.[58]

The number of producer organizations with interest in conservation technology is growing, with many groups organizing relevant management practice and applications. The Iowa Soybean Association, for example, has a program called the On-Farm Network that assists farmers in organizing and conducting on-farm research about nutrient use in order to document changes in the efficiency of nitrogen use on crops. The goal is to reduce nitrogen applications for both positive environmental effects and reduced input costs. The beneficial management practices resulting from this on-farm research are then presented to other association members.[59]

Conservation Innovation Grants (CIG) within EQIP awards grants to stimulate innovative approaches in environmental enhancement and protection, in conjunction with agricultural production. Following the completion of these grants, the results are intended to provide a return on federal investment, as findings are expected to be incorporated into the NRCS consortium of technical tools available.[60]

Discussion Questions

- Technical assistance historically has been based on science-based principles and application of proven techniques. Conservation Innovation Grants have drawn support since the initial awards in 2004. How has the technology transferred from these individual projects been incorporated into the national technical assistance

[56] Access to the Electronic Field Office Technical Guide (eFOTG) is publicly available at http://www.nrcs.usda.gov/technical/efotg/.

[57] Extension activities are supported through USDA's National Institute of Food and Agriculture (NIFA), formally the Cooperative State Research, Education, and Extension Service (CSREES). For additional information, see CRS Report R40819, *Agricultural Research, Education, and Extension: Issues and Background*.

[58] Additional information about the Science and Technology Consortium may be found at http://www.nrcs.usda.gov/technical/SandT/.

[59] Iowa Soybean Association, *On-Farm Network*, http://www.isafarmnet.com/.

[60] USDA, NRCS, *Conservation Innovation Grants*, http://www.nrcs.usda.gov/technical/cig/index.html.

toolbox? Has this helped or hindered producer application of new technology through federal programs?

- Producer organizations have had mixed success with their own conservation technology initiatives. What, if any, solutions are available to promote or expand the private sector interest in supporting technology transfer within existing producer organizations?
- Over $300 million was provided to upgrade existing technology and streamline the Commodity Credit Corporation's (CCC's) program delivery business processes.[61] How will this effort improve the delivery of conservation programs? How will this system interact with the NRCS program delivery system? Is there overlap or duplication with the NRCS streamlining initiative?

Mission

NRCS, formerly SCS, was authorized in the Soil Conservation and Domestic Allotment Act of 1935 (P.L. 74-46, 49 Stat. 163). This legislation gave SCS responsibility for soil erosion prevention, surveys, and investigations. The 2008 farm bill amended the 1935 act to include a broader definition of technical assistance. NRCS continues to address new and expanding resource concerns that require additional technical capacity. Questions have been raised about whether these expanded responsibilities should be concentrated or other responsibilities should be removed.

One suggested solution to expanding technical capabilities and meeting the need of additional technical assistance is to reduce or remove the administrative support functions associated with conservation programs.[62] For this suggestion, administrative functions are limited to distributing financial assistance in contractual agreements to producers.[63] Some have suggested that these functions be moved to FSA or competitively contracted to the private sector. Reception to this suggestion varies.

In January 2009, NRCS formally initiated the Conservation Delivery Streamlining Initiative. The purpose of this initiative is to define and implement a more effective, efficient, and sustainable business model for delivering conservation assistance.[64] No cost saving estimates were provided based on this initiative; however, the agency defines success as having technical field staffs spend as much as 75% of their time in the field with customers, and over 80% of the time/tasks currently spent by technical staff on administrative or clerical financial assistance tasks eliminated, automated, or reassigned to other staff.[65]

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[61] USDA, FSA, "Administrator Announces Selection of New Chief Information Officer," press release, December 10, 2008, http://www.fsa.usda.gov/FSA/newsReleases?area=home&subject=meda&topic=ner&newstype=newsrel&type=detail&item=nr_20081210_rel_1552.html.

[62] U.S. Congress, House Committee on Agriculture, Subcommittee on Conservation, Credit, Energy, and Research, *Testimony of Mr. John Lohr, Vice President National Association of FSA County Office Employees (NASCOE)*, Hearing to Review the Administration and Delivery of Conservation Programs, 111th Cong., 2nd sess., July 1, 2010.

[63] Many refer to this as "writing checks."

[64] USDA, NRCS, *Conservation Delivery Streamlining Initiative*, Overview, May 2010.

[65] Ibid.

Discussion Questions

- As additional resource concerns require additional technical assistance, will the technical capacity need to be expanded as well? New resource concerns such as nutrient management, animal waste, air quality, climate change, and energy are placing increased demands on technical assistance. In what capacity should the current technical assistance system (federal capacity, partnerships, technical service providers) expand to meet this need?
- Upon enactment of the Soil and Water Resources Conservation Act (RCA, P.L. 95-192) in 1977, USDA was directed to develop a national soil and water conservation program and to periodically assess the condition of the nation's soil, water, and other natural resources. Under RCA, reports guide the department's soil and water conservation priorities. Authority under the RCA was extended in the 2008 farm bill to 2018. Has the required reporting mechanism of RCA better organized USDA's natural resources activities? Would additional reporting measures for technical assistance be helpful for Congress, and if so, should they be tied to changes in spending on technical assistance?
- Discussion continues about administrative support tasks and their impact on technical assistance. Congress has historically delegated responsibility for the division of labor and tasks between agencies to the Secretary of Agriculture. Should Congress define this role instead of the Secretary? What benefits are experienced by producers having one agency fully control conservation programs? Would a reduced administrative burden increase the efficiency of technical assistance? Should Congress authorize separate accounts to fund both technical assistance and administrative support, or should the two be combined and titled differently?
- In 2009, NRCS initiated a conservation delivery streamlining initiative designed to implement a more effective and efficient method of delivering technical assistance. What actions is NRCS undertaking as part of its streamlining initiative to simplify conservation delivery? Are there particular areas or regions that have an overly complex system of delivering conservation? How will this system interact with FSA's program delivery system? Is there overlap or duplication with FSA's modernization project?

Funding

Congress continues to discuss funding for technical assistance.[66] Several interests would like to see funding increased; however, given current federal budget constraints this action seems unlikely in future appropriation acts. Discretionary funding for technical assistance still provides the majority of funding for conservation technical assistance; however, funding for farm bill programs continues to increase, closing the gap between the two sources.

[66] See U.S. Congress, House Committee on Agriculture, Subcommittee on Conservation, Credit, Energy, and Research, Hearing to Review the Administration and Delivery of Conservation Programs, 111th Cong., 2nd sess., July 1, 2010.

Discussion Questions

- Section 2502 of the 2008 farm bill allows certain technical assistance activities involving the development of plans to be considered an eligible practice under EQIP and paid for with financial assistance. These Conservation Activity Plans, or CAPs, are now performed primarily by TSPs. Have CAPs performed by TSPs freed up NRCS staff time for other technical assistance activities? Do the additional administrative measures to write CAP contracts offset time savings devoted to technical assistance? Does the expansion of financial assistance funding for technical assistance contracts reduce the backlog for technical assistance? If CAPs prove successful, could the contracting of technical assistance work using financial assistance funding be extended into other areas or programs? What other areas would seem most appropriate?
- Technical assistance is increasingly being offered for a fee in the private sector. The FY2011 President's budget proposal included proposed legislation to charge a user fee for conservation plans What technical assistance costs, if any, are producers willing to cover financially without government compensation? Are more producers willing to cover these costs to meet regulation requirements (nutrient management) or to bypass a slow response and possible limited resources on the part of the federal government?
- The debate regarding technical assistance funding for conservation under the Section 11 cap (15 U.S.C. 714i) in the Commodity Credit Corporation Charter Act continues. The ARRA provision (sec. 103) that provides technical assistance under title II to be funded through CCC expired September 30, 2010. Should this authority be extended? Will the limitations of the cap continue to affect other agencies funded through the CCC? If additional legislative changes are made to the Section 11 cap, what effect would this have on conservation technical assistance?

Appendix A. Historical Context

The complexities of technical assistance emerged through incremental policy changes over time. When the federal agriculture conservation effort was limited primarily to soil erosion control and water supply, technical assistance was limited in the number of resource concerns addressed as well as funding. Technical assistance has expanded in both scope and funding recently, and has been brought to the forefront of the debate for both implementation and funding levels. How this process evolved is discussed below.

Federal Conservation Assistance

Not until the 1930s and the occurrence of the Dust Bowl did soil conservation become a national priority. On August 25, 1933, through the use of public works program funding, the Department of the Interior (DOI) created the Soil Erosion Service. In March 1935, the President ordered Soil Erosion Service moved to the USDA.

The severity of soil erosion at the time helped gain congressional support for the passage of the Soil Conservation and Domestic Allotment Act (P.L. 74-46, 49 Stat. 163) in April 1935, establishing the Soil Conservation Service (SCS) within the USDA. The SCS was established for the purpose of providing "permanently for the control and prevention of soil erosion and thereby to preserve natural resources, control floods, prevent impairment of reservoirs, and maintain the navigability of rivers and harbors, protect public health, public lands and relieve unemployment."[67]

Following the enactment of the 1935 legislation creating the SCS, most of the services provided to landowners were through demonstration projects. Agreements (usually five years in length) were entered into with landowners who agreed to contribute access to their land, labor, and some resources in exchange for following a conservation plan. The SCS provided technical assistance, materials, labor (using the Civilian Conservation Corps and Emergency Conservation Work camps). The overlapping mission with other federal and state agencies (the Extension Service and land grant universities in particular) and limited landowner buy-in forced the USDA to look toward more localized entities to carry out these demonstrations. This brought about the establishment of the soil conservation districts.

Model state legislation to create and operate districts was presented to state governors in February 1937 by President Franklin D. Roosevelt, who encouraged adoption. This level of interest directly from the President highlights the significant level of political support for soil conservation during this time. In 1937, twenty-two states passed legislation creating districts. Following the creation of these districts, SCS increasingly concentrated on providing technical assistance to farmers through these new local entities. The current role of Conservation Districts is discussed in the "Outlook for Technical Assistance" section, above.

[67] Simms, D. Harper, *The Soil Conservation Service* (New York, NY, 1970).

Expansion of Technical Assistance

The SCS mission has expanded beyond soil erosion and conservation assistance through multiple legislative and administrative mandates. The focus of conservation technical assistance has shifted with changes in national priorities. Technical assistance has fluctuated between addressing a limited number of resources and most or all natural resources on agricultural lands.

Small Watershed Programs (P.L. 83-566)

The addition of water resources as a technical assistance responsibility added to the scope of SCS functions. The enactment of the Flood Control Act of 1936 (P.L. 74-738) authorized SCS to measure, study, and plan run-off and erosion prevention activities in selected watersheds through technical assistance. The Flood Control Act of 1944 (P.L. 78-534) and the Watershed Protection and Flood Prevention Act of 1954 (P.L. 83-566)[68] expanded the watershed program to include not only the traditional planning function created in the 1936 act but also added financial assistance funding for projects. These projects involved a holistic approach to watershed planning and included a multi-disciplinary team consisting of a wide range of technical experts (e.g., geologists, hydrologists, engineers, economists, etc.). SCS provided this technical assistance and federal support through a coordination role. Local communities were expected to provide land rights and maintenance responsibility upon project completion. Projects were intended to treat the whole watershed, thereby providing benefits beyond flood control and prevention, including drainage, recreation, municipal and industrial water supply, fish and wildlife enhancement, irrigation, and water quality protection.[69]

Compliance

Provisions in the 1985 farm bill (P.L. 99-198) dramatically changed technical assistance functions and responsibilities. It authorized conservation compliance (commonly referred to as sodbuster) and wetlands compliance (commonly referred to as swampbuster) regulations, transforming many technical assistance functions that SCS historically performed by requiring enforcement of conservation under certain circumstances. Sodbuster prohibits participation in numerous specified USDA programs when annually tilled commodity crops are produced on highly erodible land (HEL) without adequate erosion protection. Swampbuster provisions prohibit participation in numerous specified USDA programs when annually tilled commodity crops are produced, or land is drained to make production possible, on certified wetlands. SCS had, and NRCS (successor to SCS) continues to have, primary responsibility for providing technical assistance for determining whether land should be classified as highly erodible or a wetland. This task of certifying and determining cropland across the country required time and shifted resources away from the whole-farm planning approach to a narrower focus on soil erosion. Whereas the conservation technical assistance movement had begun with the Dust Bowl and soil erosion, over time it had broadened and expanded to include other resource concerns. With the emergence of conservation

[68] The Flood Control Act of 1944 (P.L. 78-534) authorized 11 of the projects created in the 1936 Flood Control Act. The Watershed Protection and Flood Prevention Act of 1954 (P.L. 83-566) expanded the watershed program to watersheds of 250,000 acres or less. These projects, because of this limit, became known as the small watershed program.

[69] Helms, Douglas, "Natural Resources Conservation Service Brief History," March 2007, at http://www.nrcs.usda.gov/about/history/articles/briefhistory.html.

compliance much of the focus had moved back to an old issue, soil erosion (and a new one, wetlands).

New Name, Expanded Responsibilities

The 1990s brought about a new trend in technical assistance, linking financial incentives to technical assistance in many new ways. Traditionally, technical assistance provides the planning, design, and technical consultation functions, while financial assistance offers monetary support for implementation capacity. In 1994, national priorities changed and the Soil Conservation Service was reorganized by Congress as part of an overall reorganization of USDA. Its name was changed to reflect its expanded responsibilities; the Natural Resources Conservation Service (NRCS). Also, NRCS assumed additional responsibilities for administration and leadership of some conservation programs from FSA. One such program was the Wetlands Reserve Program (WRP), which expanded technical assistance responsibility into easement management. Authorized in the 1990 farm bill, the WRP purchases long-term or permanent easements and funds restoration on wetlands. Following the 1996 farm bill, NRCS became responsible for administering the Environmental Quality Incentives Program (EQIP), a combination of several financial assistance programs. Following the 2002 farm bill, NRCS became responsible for not only technical assistance and the administration of many conservation programs, but also for making payments on contractual agreements.[70] Along with this additional increase in responsibility and an expanding list of natural resource concerns came a significant increase in funding authority.[71]

[70] The decision for NRCS to be responsible for making payments on conservation contracts was an administrative decision, not one dictated by Congress.

[71] Helms, Douglas, "Technical Assistance—The Engine of Conservation," March 2005, at http://www.nrcs.usda.gov/about/history/articles/CTA_17Mar_Draft3.pdf.

Appendix B. Reimbursements between NRCS & FSA

Two conservation programs directly involve both FSA and NRCS—the Conservation Reserve Program (CRP) and the Grassland Reserve Program (GRP). To better define each agency's role in program implementation, an MOA or MOU is signed, usually following each farm bill. The memorandum is typically valid until the program expires, there is congressional action on the program, or there is a major administrative change to the program. The following outlines each agency's role in implementing CRP and GRP as defined by the respective MOA and MOU.

Conservation Reserve Program (CRP)

In the case of CRP, FSA retains leadership control over the program and has responsibility for overall implementation. These activities include but are not limited to program policy development, signup establishment, application approval, contract administration, county rate determinations, and program payments.[72] NRCS provides technical assistance, either directly or through TSPs, and ensures that all work is performed in accordance with technical standards. FSA reimburses NRCS on a monthly basis based on the NRCS cost of program model (described above) and the amount of work performed. These costs include activities related to new general and continuous enrollments, re-enrollments and extensions for general signup, and re-enrollments for continuous signup. According to the MOA, activities may include[73]

- determining program eligibility for continuous CRP, Conservation Reserve Enhancement Program (CREP), and the Farmable Wetland Program (FWP);
- conservation planning;
- conservation practice design system implementation and certification of 10% of all practice; or
- providing policy and program support.

During FY2009, NRCS was reimbursed for approximately $56 million for technical assistance provided to CRP activities.[74] Changes in the 2008 farm bill to FWP are expected to increase technical assistance costs because constructed wetlands are considerably more expensive than other conservation practices.[75] This, in addition to the general signup (number 39) in FY2010 and another possible signup in FY2011, could increase the amount of technical assistance from NRCS and increase reimbursements from FSA.

[72] For more information on CRP, see CRS Report RS21613, *Conservation Reserve Program: Status and Current Issues*.

[73] USDA, *Memorandum of Agreement (MOA) between NRCS, FSA, and CCC*, For implementation of the Conservation Reserve Program, Signed by Dave White, Chief of NRCS and Douglas Caruso, Administrator of FSA, Washington, DC, May 21, 2009.

[74] USDA, *FY2011 Budget*, Explanatory Notes for Committee on Appropriations, February 2010.

[75] Letter from Jonathan Coppess, Deputy Administrator for Farm Programs, to Douglas J. Caruso, Administrator of FSA, May 21, 2009.

Grassland Reserve Program (GRP)

The Grassland Reserve Program (GRP) is different from CRP in that functions of the program are not split along financial and technical assistance lines. FSA has lead responsibility for rental contract administration, and NRCS has lead responsibility on technical assistance issues and easement administration. An MOU is signed by both NRCS and FSA describing these functions in detail. Generally, responsibilities include[76]

- **FSA**—accepting applications; issuing payments; assessing penalties and liquidated damages as applicable; accepting, modifying, and terminating rental contracts; landowner eligibility determinations on easement and rental contracts; acreage determination on rental contracts; maintaining GRP records and reports and enforcement of violations on rental contracts.
- **NRCS**—accepting applications; providing technical assistance to the participant; evaluating and ranking applications for rental contracts and easements; ensuring conservation treatment is in accordance to program requirements; ranking and selecting applications for funding; providing payment documentation to FSA; and establishing quality assurance and control procedures to monitor land enrolled in easements or rental contracts.

GRP operates under a continuous sign up and both FSA and NRCS develop the state ranking criteria to select eligible projects. NRCS supplies the technical assistance for developing a grazing management plan and any technical assistance following the producer signing a contract or easement. Under the MOU, NRCS reimburses FSA for administrative costs incurred with implementing GRP. These costs are based on historic workload data and the number of applications and contracts provided by FSA.[77]

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[76] USDA, *FY2011 Budget*, Explanatory Notes for Committee on Appropriations, February 2010.

[77] USDA, *Memorandum of Understanding (MOU) for the Grassland Reserve Program (GRP) between FSA,CCC, and NRCS*, Signed by Dave White, Chief of NRCS and Douglas Caruso, Administrator of FSA, Washington, DC, June 23, 2009.