



**National Grain and Feed Association**

www.ngfa.org | ngfa@ngfa.org

---

**Statement by the**  
**By National Grain and Feed Association on the**  
**Hearing for the Next Farm Bill: Conservation Policy**

**Conducted by the**  
**Subcommittee on Conservation and Forestry**  
**Committee on Agriculture**  
**U.S. House of Representatives**

**March 10, 2017**

Chairman Lucas, Ranking Member Fudge, and Members of the Subcommittee, thank you for having conducted this hearing to receive input on how the Conservation Title of the Agricultural Act of 2014 has operated and gather ideas for the next farm bill's Conservation Title.

This statement for the record is respectfully submitted by the National Grain and Feed Association (NGFA). NGFA, established in 1896, consists of more than 1,050 grain, feed, processing, exporting and other grain-related companies that operate more than 7,000 facilities. Its membership includes grain elevators; feed and feed ingredient manufacturers; biofuels companies; grain and oilseed processors and millers; exporters; livestock and poultry integrators; and associated firms that provide goods and services to the nation's grain, feed and processing industry. NGFA also has 34 State and Regional Affiliated Grain, Feed and Agribusiness Associations.

Since enactment of the last farm bill in 2014, NGFA-member companies have increasingly heard from consumers of their preference for food raised in a sustainable and environmentally sensitive manner. Fortunately, Congress had the foresight to create two working-land programs, the Conservation Stewardship Program (CSP) and the Environmental Quality Incentives Program (EQIP), that assist producers in further enhancing conservation practices to produce grain-based crops in an even more sustainable fashion. CSP and EQIP allow agricultural producers to maintain active agricultural production on their land while managing conservation activities. Examples of conservation activities that participants can choose under CSP and EQIP include fertilizer optimization practices and cover crops to reduce erosion, improve soil organic matter, promote efficient nutrient cycling, fix nitrogen in the soil, suppress weeds, increase biodiversity and improve overall soil health. These conservation activities often result in more conservation practices taking hold for the long-term in the community and across the nation – there are 362.7 million acres of cropland and 526.9 million acres of pastureland and rangeland for these programs to impact either directly or indirectly. The NGFA strongly believes CSP, EQIP and other working lands conservation programs will become increasingly important to maintaining the long-term health of soils and in attaining the goal of environmentally and sustainably producing food for a growing world population.

By contrast, investing scarce conservation dollars in dramatically increasing the size of land-idling programs like the Conservation Reserve Program (CRP) – as advocated by some – risk short-changing working land conservation programs.

Since 1985 when CRP was created, millions of acres of America's best and most productive farmland have been idled under 10- to 15-year CRP contracts, siphoning the economic lifeblood that emanates from production agriculture out of hundreds of rural communities. Many landowners used general CRP signups and its whole-farm enrollments as a retirement program. Rural businesses, including farm equipment dealers, input suppliers and banks, closed. So did schools. Rural populations plummeted.

As can be seen in Table 1, U.S. cropland has plunged from 420.6 million acres in 1982 to 362.7 million in 2012. The long-term economic well-being and competitiveness of U.S. agriculture depends upon retaining production on cropland that can be farmed in an environmentally sustainable way. The National Resources Inventory, which is a report published by USDA's Natural Resources Conservation Service (NRCS), found that only 60 percent of expired CRP land in 2007 returned to cropland by 2012. Thus, long-term CRP contracts contribute to the reduction in the availability of U.S. cropland.

**Table 1: U.S. Land Use (In Million Acres) 1/**

Year	Cropland	CRP Land 2/	Developed	Pastureland	Rangeland	Forest Land	Other Rural Land	Federal Land	Water Areas	Total
1982	420.6	-	71.9	131.3	419.4	410.3	42.8	398.2	49.8	1,944.1
1987	406.4	13.8	77.9	127.4	413.9	412.3	42.9	398.7	50.8	1,944.1
1992	382.0	34.0	85.2	125.8	410.2	412.2	43.2	401.0	50.5	1,944.1
1997	376.4	32.7	95.9	120.7	408.1	413.3	43.5	402.6	51.1	1,944.1
2002	367.7	31.8	104.9	119.3	407.8	413.7	43.4	404.1	51.5	1,944.1
2007	358.9	32.5	111.1	119.7	407.2	413.1	44.9	404.8	51.9	1,944.1
2012	362.7	24.2	114.1	121.1	405.8	413.3	45.4	405.3	52.1	1,944.1

1/ Source: U.S. Department of Agriculture. 2015. Summary Report: 2012 National Resources Inventory, Natural Resources Conservation Service, Washington, DC, and Center for Survey Statistics and Methodology, Iowa  
 2/ CRP land is only CRP general sign-ups and does not include CRP continuous sign-ups.

History has shown that South American countries and other foreign competitors respond to U.S. land-idling schemes by plowing up virgin land on more than an acre-for-acre basis, capturing export market share previously held by U.S. farmers and depriving rural America of the economic ripple effects that resonate from U.S. agricultural production.

Fortunately, over the years, Congress has right-sized the CRP, while the U.S. Department of Agriculture has refined its Environmental Benefits Index to better target CRP on reducing soil erosion and improving water quality, although wildlife benefits were added as a criterion and have a disproportionately heavy weighting when USDA determines the scoring of acres eligible for enrollment.

Even now as can be viewed in Table 2, NGFA has determined that 26 percent of the 24.2 million acres that were enrolled in the CRP general signup as of 2012 were classified as “prime farmland.” Here’s how USDA’s NRCS defines “prime farmland”: “Land that has the best combination of physical and chemical characteristics for producing food, feed, forage, fiber and oilseed crops...It has the soil quality, growing season and moisture supply needed to produce economically sustained high yields of crops when treated and managed to acceptable farming methods.”

**Table 2: U.S. Prime Farmland on Non-Federal Land (In Million Acres) 1/**

Year	Cropland	CRP Land 2/	Pastureland	Rangeland	Forest Land	Other Rural Land	Total Prime Farmland
1982	228.2	-	35.1	18.2	42.9	5.6	330.0
1987	223.4	3.3	34.7	17.6	43.3	5.7	328.1
1992	214.4	9.6	35.0	17.2	43.6	5.9	325.6
1997	210.9	9.2	34.2	17.5	44.5	6.0	322.3
2002	206.5	8.5	34.7	17.8	45.7	6.0	319.3
2007	202.0	8.7	35.5	17.9	46.3	6.4	316.8
2012	202.1	6.4	36.1	17.8	46.8	6.5	315.7

1/ Source: U.S. Department of Agriculture. 2015. Summary Report: 2012 National Resources Inventory, Natural Resources Conservation Service, Washington, DC, and Center for Survey Statistics and Methodology, Iowa State University, Ames, Iowa.

2/ CRP land is on the CRP general sign-up and does not include CRP continuous sign-ups.

In addition, Table 3 shows that as of 2012, CRP had enrolled 15.3 million acres of cropland within land capability classes I, II or III, which are the three best classes of U.S. land. The land capability classification is a system of grouping soils primarily based on their capability to produce common cultivated crops and pasture plants without deteriorating over a long period. Class codes I to VIII indicate progressively greater limitations and narrower choices for agriculture.

**Table 3: U.S. Land Capability Class I through Class III (Good Land) on non-Federal Land (In Million Acres) 1**

Year	Cropland	CRP Land 2/	Pastureland	Rangeland	Forest Land	Other Rural Land	Total Class I thru Class III Land
1982	345.1	-	73.3	66.0	111.7	12.3	608.4
1987	335.7	8.3	71.6	64.0	112.6	12.5	604.7
1992	318.7	21.8	71.3	62.5	113.0	12.8	600.0
1997	314.6	21.0	69.0	62.4	113.8	13.0	593.8
2002	307.5	20.3	68.9	63.0	115.5	13.0	588.2
2007	300.6	20.8	69.6	63.1	116.1	13.9	584.3
2012	303.0	15.3	70.5	62.8	116.6	14.2	582.5

1/ Source: U.S. Department of Agriculture. 2015. Summary Report: 2012 National Resources Inventory, Natural Resources Conservation Service, Washington, DC, and Center for Survey Statistics and Methodology, Iowa State University, Ames, Iowa.

2/ CRP land is only CRP general sign-ups and does not include CRP continuous sign-ups.

Table 4 displays U.S. land capability classes IV through VIII, which have lower capability to produce crops. NGFA believes less harm would be inflicted on U.S. agriculture if CRP enrollments were focused on land that had both an erodibility index score of 8 or higher and was classified within capability classes IV through VIII. NGFA also believes whole farms or large tracts of land within farms should not be enrolled in CRP. Instead enrollments should be targeted at the most environmentally sensitive portions of farms, such as critical fragments of tracts prone to erosion, serving as drainage, frequently drowning out or located next to streams. CRP under this new NGFA-advocated approach would be operated in a manner that would allow farmers to work in tandem with USDA to identify and enroll the portions of their farms that best complement environmentally sustainable agriculture. This surgical approach to CRP would substantially elevate the environmental benefits (soil health and water quality).

**Table 4: U.S. Land Capability Class IV through VIII on non-Federal Land (In Million Acres) 1/**

Year	Cropland	CRP Land 2/	Pastureland	Rangeland	Forest Land	Other Rural Land	Total Class IV thru Class VIII Land
1982	75.5	-	58.0	353.3	298.6	30.5	815.8
1987	70.7	5.5	55.8	349.9	299.6	30.4	811.9
1992	63.3	12.2	54.5	347.7	299.2	30.5	807.5
1997	61.7	11.7	51.7	345.7	299.5	30.5	800.8
2002	60.1	11.4	50.4	344.8	298.2	30.4	795.4
2007	58.2	11.6	50.1	344.1	297.0	31.0	792.1
2012	59.8	8.9	50.6	342.9	296.7	31.3	790.2

1/ Source: U.S. Department of Agriculture. 2015. Summary Report: 2012 National Resources Inventory, Natural Resources Conservation Service, Washington, DC, and Center for Survey Statistics and Methodology, Iowa State University, Ames, Iowa.

2/ CRP land is only CRP general sign-ups and does not include CRP continuous sign-ups.

In addition to currently targeting the wrong land for CRP enrollment, there also are indications that rental rates paid by USDA to enroll CRP acres in several regions of the country continue to be considerably higher than local farmland cash rental rates, thereby pitting the U.S. government as a competitor against young and beginning farmers trying to enter production agriculture and remain in rural communities.

## **Conclusion**

As noted previously, NGFA strongly believes CSP, EQIP and other working land conservation programs are crucial for helping U.S. agriculture meet the challenge of preserving healthy soils and meeting the long-term demand for producing food in an environmentally sustainable manner. Conservation activities incentivized by CSP and EQIP often result in more conservation taking hold in communities and the nation. There are 362.7 million acres of cropland and 526.9 million acres of pastureland and rangeland for CSP and EQIP to impact either directly or indirectly.

On the other hand, idling of large tracts of productive farmland in the Conservation Reserve Program has harmed rural economies and contributed to the reduction in the availability of cropland upon which U.S. agriculture depends.

As it considers the next farm bill, the NGFA urges Congress to retain the current CRP acreage cap of 24 million acres and avoid repeating the mistakes of the past when CRP was used as a supply control program, which only encouraged greater production by America's foreign competitors. To achieve greater conservation, NGFA recommends criteria be placed on future CRP enrollments to target land that has both an erodibility index score of 8 or above and is classified within capability classes IV through VIII. NGFA also believes whole farms or large tracts should not be enrolled in CRP. Instead CRP enrollments should be targeted at the most environmentally sensitive portions of farms, such as critical fragments of tracts prone to erosion, serving as drainage, frequently drowning out or located next to streams.

NGFA believes scarce federal funding should be targeted at working land conservation programs, such as CSP and EQIP, which promote agricultural sustainability. Finally, NGFA requests that Congress carefully examine the issue of CRP rental rates, which in some cases are considerably higher than local farmland cash rental rates and serve as an economic barrier for the next generation of American farmers to get into production agriculture.

The NGFA appreciates the opportunity to submit this statement for the hearing record, and would be pleased to respond to any questions members of the Subcommittee may have.