## **Background for Discussion purposes**

## Senate-passed Farm Bill Regional Conservation Partnership Program

This provision consolidates four existing programs into one that will support projects that improve soil quality, water quality, or wildlife habitat in a specific area or region. Consolidated programs include: Chesapeake Bay Watershed Initiative, Cooperative Conservation Partnership Initiative, the Agricultural Water Enhancement Program, and the Great Lakes Basin Program.

Projects will be implemented through partnership agreements and directly through contracts with eligible producers. Partnership agreements are not to exceed 5 years. However, the Secretary has authority to extend agreements for up to 12 months to meet the objectives of the program. Partners are to provide a significant portion of the overall costs of the project as determined by the Secretary.

Projects are selected through a competitive, merit-based process, and producers are encouraged to leverage partner resources to achieve common goals. It is important to note that within the program is the Critical Conservation Area component that funds projects in areas with particularly significant water quality and quantity issues facing natural resource regulatory pressures. The Secretary has the authority to designate up to six geographical areas as Critical Conservation Areas.

The Critical Conservation Area designation is based on the degree to which an area (1) includes multiple States with significant agriculture production; (2) is covered by an existing regional, State, bi-national, or multistate agreement or plan with established objectives, goals and workplans and is adopted by a Federal, State, or regional authority; (3) has water quality concerns; (4) has water quantity concerns; or (5) is subject to regulatory requirements that could reduce the economic scope of agricultural operations within the area.

The purposes of the program include furthering conservation, restoration, and sustainable use of soil, water, wildlife and related natural resources on a regional or watershed scale. Additional purposes include encouraging partners to assist producers in meeting or avoiding the need for national, State, and local natural resource regulatory requirements related to production agriculture and implementing activities that impact multiple agriculture operations.

The program funding level is derived from multiple sources:

- 1. Base level funding of \$100 million annually.
- 2. 8 percent of the funds available through the Environmental Quality Incentives Program (EQIP), the Agriculture Conservation Easement Program (ACEP) and the Conservation Stewardship Program (CSP). These funds are returned to the originating program if not obligated under the partnership program by April 1 of each fiscal year.

The program has three funding pools:

1. 40 percent of the funding used for national projects.

- 2. 25 percent of the funding used for State level projects.
- 3. 35 percent of the funding used for Critical Conservation Areas.

The Senate bill provides limited authority for "alternative funding arrangements" where the Secretary may enter into arrangements (up to 10) with multistate water resource agency or authority if it furthers the goals and objectives of the program; the agency or authority certifies payment limitation requirements are not exceeded and all producers meet payment eligibility requirements.

Regional Conservation Partnerships Program Funding (Senate-passed bill)					
Year	2013	2014	2015	2016	2017
EQIP	\$116,400,000	\$131,600,000	\$132,000,000	\$132,000,000	\$132,000,000
CSP	\$13,245,440	\$13,245,440	\$13,245,440	\$13,245,440	\$13,245,440
ACEP	\$17,840,000	\$56,160,000	\$40,000,000	\$42,000,000	\$20,000,000
Mandatory	\$100,000,000	\$100,000,000	\$100,000,000	\$100,000,000	\$100,000,000
TOTAL	\$247,485,440	\$301,005,440	\$285,245,440	\$287,245,440	\$265,245,440

NOTE: assumes no CHIMPING