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Farm Bill Primer: Conservation Title

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

As Congress considers authorizing the next farm bill, areas of possible interest in the conservation title may include funding for programs, climate strategies for the agricultural sector, and compliance provisions.

Conservation Program Portfolio

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

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

Title II (Conservation) of the Agricultural Improvement Act of 2018 (2018 farm bill; P.L. 115-334) reauthorized and amended portions of most conservation programs, although there was focus on the large-cost programs, namely the Conservation Reserve Program (CRP), Environmental Quality Incentives Program (EQIP), and Conservation Stewardship Program (CSP). Most farm bill conservation programs are authorized to receive mandatory funding (i.e., they do not require an annual appropriation).

In 2022, Congress passed the bill commonly referred to as the Inflation Reduction Act of 2022 (IRA; P.L. 117-169). As part of this bill, Congress provided additional funding to selected farm bill conservation programs and extended the authority for those programs through FY2031. Conservation programs not included in the IRA had authorities that expired with other farm bill programs at the end of FY2023. In November 2023, Congress enacted a one-year extension for FY2024 and crop year 2024 (P.L. 118-22, Division B, §102). For additional information, see CRS Report R47659, *Expiration of the 2018 Farm Bill and Extension in 2024*.

Funding for Conservation

The conservation title is one of the larger non-nutrition titles of the farm bill, accounting for $58 billion in projected 10-year mandatory funding (FY2025-FY2034). Spending for agricultural conservation programs generally has increased from $2.3 billion in FY2002 ($3.7 billion when adjusted for inflation) to an estimated $5 billion in total outlays in FY2024. Annual outlays beyond the 2018 farm bill's extended expiration (FY2024) are projected to rise to above $6 billion (**Figure 1**), assuming programs are reauthorized with no changes.

Selected Farm Bill Conservation Programs

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

- Environmental Quality Incentives Program (EQIP), Conservation Stewardship Program (CSP), and Agricultural Management Assistance (AMA)

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

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

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

- Agricultural Conservation Easement Program (ACEP) and Healthy Forests Reserve Program (HFRP)

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

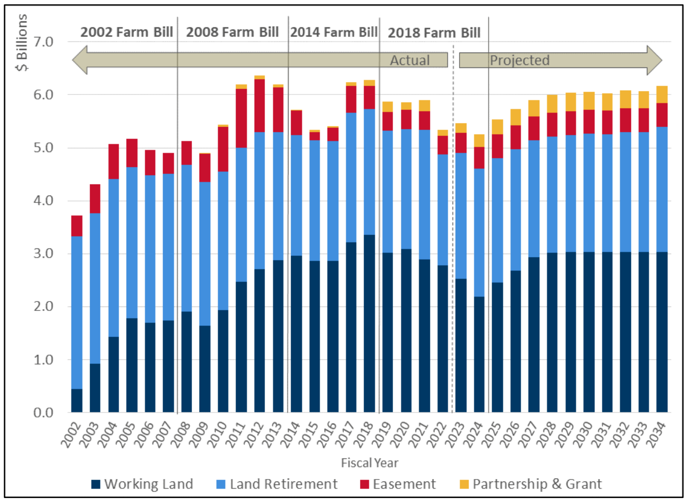
- Regional Conservation Partnership Program (RCPP), Conservation Innovation Grants (CIG), On-Farm Conservation Innovation Trials, Feral Swine Eradication and Control Pilot Program (Feral Swine), Voluntary Public Access and Habitat Incentive Program (VPAHIP)

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

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

Figure 1. Farm Bill Conservation Program Actual and Projected Mandatory Spending, FY2002-FY2034

outlays in billions of dollars (actuals adjusted for inflation)



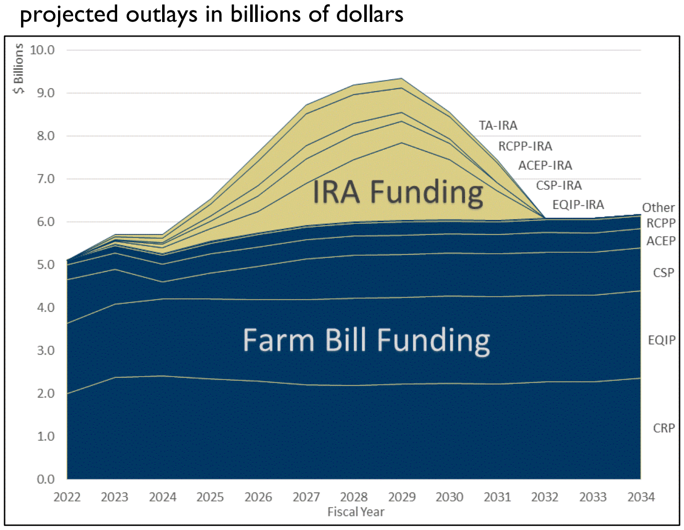
Sources: CRS, using Congressional Budget Office (CBO) baseline data, FY2003-FY2024; and Office of Management and Budget, Table 10.1—Gross Domestic Product [GDP] and Deflators Used in the Historical Tables: 1940-2029, March 2024.

Notes: FY2002-FY2022 are actual spending levels, and FY2023 is an estimate. FY2002-FY2022 are adjusted for inflation to 2023 dollars using the GDP price deflator. FY2023-FY2034 are projected spending levels in current-year dollars. Chart does not include sequestration or supplemental funding.

The IRA provided an additional $17 billion for selected farm bill conservation programs (**Figure 2**), specifically EQIP, CSP, ACEP, and RCPP. Program funds are directed to climate change-related conservation practices that improve soil carbon; reduce nitrogen losses; or reduce, capture, avoid, or sequester greenhouse gas emissions associated with agricultural production. The IRA also provided additional funding for conservation programs and activities typically conducted through non-farm bill authorities, such as conservation technical assistance (TA).

Figure 2. Conservation Funding: Farm Bill and IRA

projected outlays in billions of dollars



Source: CRS, using CBO, "CBO's February 2024 Baseline from Farm Programs," February 2024.

Climate Change

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

As part of the next farm bill, Congress may evaluate how well existing farm bill conservation programs assist producers in achieving climate change-related goals, especially in light of the IRA's additional funding and requirement for funds to go toward climate change-related practices. How USDA implements the IRA funds and other department-wide climate-focused initiatives may influence the conservation title.

Use of IRA Supplemental Funding

Changes to mandatory spending authorized in a farm bill are measured against a *baseline* projection at a particular point in time that assumes current law continues unchanged. **Figure 1** shows the projected baseline for farm bill conservation programs over a 10-year period (FY2024-FY2034). Funding provided through the IRA is supplemental and not considered part of the farm bill baseline (see CRS In Focus IF12233, *Farm Bill Primer: Budget Dynamics* for additional information on the baseline). As such, once IRA funding is obligated by FY2031, only the farm bill baseline funding for conservation will remain (see FY2032 and thereafter in **Figure 2**). Some in Congress have suggested that the farm bill should rescind unobligated IRA funding and add it to the farm bill baseline. Debate continues on whether this should be done to increase funding for conservation programs and how much should be directed to climate change-related practices, as currently required in the IRA, or whether the funding should be used to increase other titles of the farm bill unrelated to conservation or climate change-related activities. Alternatively, without congressional action, IRA funds would continue to be obligated until expended as directed through the conservation programs identified in the IRA.

Conservation Compliance

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

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