



Chesapeake Bay Federal Farm Policy Reform Project

The Chesapeake Bay Federal Farm Policy Reform Project is a broad partnership of states, nonprofit organizations, academics, and farm community representatives that is developing a set of regional recommendations for Federal Farm Policy Reform when the Farm Bill is reauthorized in 2007. The Project, which is spearheaded by the Chesapeake Bay Commission, has been designed to maximize stakeholder involvement in the development of the recommendations. From March through July 2005, the Project solicited ideas and guidance from the stakeholders themselves – the farmers, government officials, conservationists, academics and others familiar with or concerned about farming and farm policy in the six-state Bay basin. With this stakeholder input the Project will develop a concise list of suggested improvements to the nation's farm policy for consideration by Congressional partners. These improvements will aim to support the successful attainment of the Chesapeake Bay nutrient and sediment goals, while strengthening the economic viability of agriculture in the watershed.

Chesapeake Bay Federal Farm Policy Reform Project *Guiding Principles*

- Support the successful attainment of the tributary strategy nutrient and sediment goals.
- Strengthen the economic viability of agriculture in the watershed.
- Encourage participation with rewards including greater incentives for greater environmental performance.
- Meet the current and projected farmer demand for funding and assistance in implementing nutrient and sediment reduction measures.
- Strengthen agriculture and forestry conservation delivery systems by:
 - supporting targeting to maximize nutrient and sediment reductions;
 - providing greater flexibility to better address local conditions and needs; and
 - empowering leaders at the watershed level to participate more fully in decision making processes.
- Promote long term sustainable conservation practices and changes.
- Encourage scientific and technological innovation.



Chesapeake Bay Federal Farm Policy Reform Project ***Reform Recommendations***

STRENGTHENING AGRICULTURE WHILE RESTORING THE BAY: Recommendations for the 2007 Federal Farm Bill INTRODUCTION

What follows are DRAFT recommendations to the 2007 Farm Bill. These modifications derived from an extensive series of stakeholder outreach meetings in which Chesapeake Bay Commission staff and others sought the practical wisdom and advice of the region's agricultural, conservation, research, scientific and governmental leaders. Their experience with Chesapeake Bay agriculture and Farm Bill conservation programs helped shape this proposal.

The recommendations are national in scope and are presented with the understanding that economic viability and improved water quality are both strong national priorities. Reforms have been crafted with the recognition that our watershed's problems are the shared problems of the nation, and therefore our proposed solutions and recommendations speak to a broad national need.

There are three categories that frame the recommendations:

- Section I: Proposed funding levels and funding sources.
- Section II: Overarching issues that cut across individual programs.
- Section III: Program-specific changes to the 2007 Farm Bill to execute these reforms.

The recommendations are, as noted, DRAFT. Review by the stakeholders and leaders in the Bay region will shape the final proposal. We are actively soliciting your input on this DRAFT. We will then revise the recommendations, as needed, prepare a final, more polished report and solicit the support of the governors of our six-state region. The recommendations will be considered for adoption at the Chesapeake Executive Council's November 29, 2005 meeting.

EXECUTIVE SUMMARY

Farm Bill Funding and Funding Sources

- Funding and eligible agricultural conservation practices must be expanded on a national basis, to meet both the needs of the Chesapeake Bay and those of the nation.
- Increased funds should address the farm community's needs; farmers are being turned away from current programs due to lack of conservation funding.
- Enhancements are particularly needed for the Conservation, Energy, Rural Development, Forestry, Research, and Miscellaneous (Risk Management) titles of the Farm Bill.
- If a new program is established, it should promote regional stewardship and encourage higher levels of conservation and efficiencies across programs.

- The need for economically supportive tools must continue in order to enhance the economic viability of agriculture and forestry; without economic stability the farmland will be lost.

Overarching Reforms that Apply to Multiple Programs

- While generally supported, the implementation and delivery of many of the conservation-related programs obstruct their goals through lack of effective incentives, innovation, outreach, funding, priority-setting and targeting.
- Conservation programs need to address regional issues, such as those of the Bay, and therefore incorporate watershed flexibility and regional priority setting.
- Stronger incentives are needed to encourage land managers to install conservation measures.
- Higher levels of environmental performance should be rewarded.
- Risks taken to install innovative practices should be matched with risk management mechanisms.
- Increases to both technical and financial assistance are needed, including increasing federal cost-share formulas and expanding eligibility caps.
- Mechanisms to target expenditures are needed to coordinate funding support across programs and to maximize cost-effective investments.
- Improve the effectiveness and efficiency of current programs and procedures; streamline program application and participation requirements, including the standards required to implement practices.

Individual Program Reform

- Modify the major conservation-related programs, such as EQIP*, CRP and others to:
 - Increasing flexibility
 - Enhance incentives
 - Reflect regional differences
 - Promote innovation
 - Elevate both accountability and measurability.
 - Increase participation in decision-making