DEPARTMENT OF AGRICULTURE

Commodity Credit Corporation

Farm Service Agency

Record of Decision for the Programmatic Environmental Impact Statement on the Conservation Reserve Program

AGENCIES: Commodity Credit Corporation and Farm Service Agency, USDA.

ACTION: Record of decision.

SUMMARY: The Farm Service Agency (FSA) prepared a Final Programmatic Environmental Impact Statement (PEIS) for the Conservation Reserve Program (CRP) and the Notice of Availability was published in the **Federal Register** on January 17, 2003. This document presents the Record of Decision (ROD) regarding FSA implementation of the re-authorized CRP according to the provisions of the Farm Security and Rural Investment Act of 2002, Public Law 107–121 (2002 Farm Bill). The CRP is implemented through FSA on behalf of the Commodity Credit Corporation (CCC) and is governed by regulations published in 7 CFR part 1410. This decision record summarizes the reasons for FSA selecting the Proposed Action Alternative based on the program's expected environmental and socioeconomic impacts and benefits as documented in the PEIS, all of which were considered in this decision.

FOR FURTHER INFORMATION CONTACT: Don Steck, USDA/FSACEPD/Stop 0513, 1400 Independence Ave., SW., Washington, DC 20250–0153, (202) 690–0224, or e-mail at: *don_steck@wdc.usda.gov.* The final CRP PEIS, including appendices and this ROD, are available on the FSA Environmental Compliance Web site at: *http://www.fsa.usda.gov/dafp/cepd/epb/impact.htm#final.*

More detailed information on these programs may also be obtained from the FSA Web site at: *http://www.fsa.usda.gov/pas/default.asp* (general) *http://www.fsa.usda.gov/dafp/cepd/default.htm* (CRP, CREP, ECP, & NEPA).

Record of Decision

I. The Decision

A. Programmatic Environmental Impact Statement (PEIS) Proposed Action Alternative as the Basis for Implementing and Expanding CRP

Based on a thorough evaluation of the resource areas affected by CRP, a detailed analysis of four program alternatives, and a comprehensive review of public comments on the Draft PEIS, CCC has selected the Proposed Action Alternative to implement and expand the re-authorized CRP in accordance with the provisions of the 2002 Farm Bill.

B. Overview

CRP is the Federal Government's single largest conservation program for private lands. Through voluntary partnerships between individuals and the Government, CRP provides incentives and assistance to farmers and ranchers for establishing conservation practices that have a beneficial impact on resources both on and off the farm. CRP encourages participants to voluntarily plant permanent vegetative cover on land that is subject to erosion. This vegetation safeguards millions of acres of American topsoil from erosion, provides food and habitat for wildlife, and protects water quality by reducing runoff and sedimentation.

CRP provides annual rental payments and cost-share assistance to participants for establishing long-term, resource-conserving covers on eligible land. CRP, in most cases, makes annual rental payments based on the dry land agricultural rental value of the land, and provides cost-share assistance for up to 50 percent of the participant's costs in establishing approved conservation practices. Participants enroll in CRP contracts for 10 to 15 years. FSA administers the program, with technical support provided by the Natural Resources Conservation Service (NRCS), U.S. Forest Service, Cooperative State Research and Education Extension Service, State forestry agencies, local Soil and Water Conservation Districts, and others.

C. Programmatic Changes to CRP

To implement the Proposed Action, FSA would incorporate the provisions of the recently enacted 2002 Farm Bill into the CRP regulations and revise the CRP Handbook. The 2002 Farm Bill, which governs Federal farm programs for the next 6 years, was signed into law on May 13, 2002. The 2002 Farm Bill reauthorizes CRP through 2007 and stipulates the following changes be made to CRP:

- Increase the acreage enrollment authority to up to 39.2 million acres;
- Expand the Farmable Wetlands Program (FWP) nationwide with an aggregate acreage cap of up to 1 million acres;
- Change the cropping history requirement to be 4 out of 6 years prior to the enactment of the 2002 Farm Bill;
- Provide a 1-year extension for certain contracts on land planted to hardwood trees;
- Allow participants to enroll entire fields through certain continuous CRP practices when more than 50 percent of the field is enrolled as a buffer and the remainder of the field is infeasible to farm;
- Allow participants to continue existing vegetative cover, where practicable and consistent with the objectives of CRP; and
- Provide for managed haying (including for biomass), grazing, and construction of wind turbines on CRP lands.

II. Description of the Conservation Reserve Program

CRP was initiated by Congress in Title XII of the Food Security Act of 1985, Public Law 99–198, was extended by the Food, Agriculture, Conservation and Trade Act of 1990, Public Law 104–624, and then extended to 2002 by the Federal Agriculture Improvement and Reform Act of 1996, Public Law 107–171. It has currently been authorized to continue through 2007 by the 2002 Farm Bill.

A. Conservation Reserve Program—General Sign-up

CRP General Sign-up was established in its current form in 1985. This long-term land retirement program offers participants an annual per-acre rental payment and up to half the cost of establishing a permanent long-term conserving cover, in exchange for retiring environmentally-sensitive cropland from production for a minimum of 10 years to a maximum of 15 years. Producers offer land for competitive bidding based on an Environmental Benefits Index (EBI) during periodic announced signups. The current EBI is a form of environmental targeting which ranks offers based on environmental indices and cost.

B. Continuous CRP (CCRP)

CCRP is a program initiated by FSA in 1996, with 4 million acres reserved for enrollment of highly-environmentally sensitive land that would produce optimal environmental benefits for soils, water quality, and wildlife habitat enhancement through the implementation of high-priority conservation practices such as riparian buffers, filter strips, and grass waterways. Land eligible for these high-priority practices can be enrolled at any time and the land does not have to compete with other lands for enrollment under CRP general sign-up.

In April 2000, FSA authorized enhanced incentives to target highly environmentally-sensitive land for continuous signup participation which included: (1) An up-front Signing Incentive Payment (SIP) of $100 to $150 per acre (depending on the length of contract) for filter strips, riparian buffers, grassed waterways, field windbreaks, shelter belts, and living snow fences; (2) and a Practice Incentive Payment (PIP) equal to 40 percent of the cost of installing practices for all continuous signup practices. At that time, increased maintenance payments for certain practices were also added along with updated marginal pastureland rental rates to better reflect the agricultural value of these types of lands.

C. Farmable Wetlands Program (FWP)

FWP was established as a pilot program by the 2001 Agricultural Appropriations Act, Public Law 106–387, under which farmed wetland acres were made eligible to be enrolled through a continuous sign-up similar to that of CCRP for other high-priority conservation practices. Payments were commensurate with those provided to landowners who implemented CRP conservation practices like filter strips. The wetlands and associated buffers enrolled under the pilot program were limited to 500,000 acres in six States: Iowa, Minnesota, Montana, Nebraska, North Dakota, and South Dakota, with no more than 150,000 acres enrolled in any single State. Under the provisions of the 2002 Farm Bill, FWP will be expanded nationwide with an aggregate acreage cap of up to 1 million acres.

D. Conservation Reserve Enhancement Program (CREP)

In 1997, FSA implemented CREP as a joint Federal-State land retirement conservation program that uses the authorities of CRP in combination with State resources to target specific conservation and environmental objectives. It is a conservation partnership targeted to address specific State and nationally significant water quality, soil erosion, and wildlife habitat issues linked to agriculture and agricultural production activities.

III. Impacts Under the Alternatives Considered

FSA developed the Proposed Action Alternative based on provisions defined in the 2002 Farm Bill along with Agency scoping input provided before passage of the 2002 Farm Bill. FSA conducted formal public scoping for the PEIS and met with and solicited input from representatives of other Federal, State, and local agencies and the general public. The public scoping meetings were held in six cities located around the country. FSA published notices in the **Federal Register** and national newspapers that the agency was preparing a PEIS and that input was being sought through multiple venues including the public scoping meetings, a toll-free phone line, regular mail, and e-mail. The Proposed Action and three Alternatives considered in detail in the PEIS represented a range of program implementation choices that reflected the array of ideas voiced and recommendations made during that scoping process. The following alternatives are presented in detail in the Final PEIS.

A. No Program Alternative (Baseline)

This alternative was used as an analytical device to establish a baseline upon which to evaluate the other alternatives. The analysis established a baseline by describing what would have happened if CRP had never been implemented.

B. No Action Alternative (Current Program)

Under this alternative, FSA administration of CRP/CCRP/CREP would continue as if the pre-2002 Farm Bill provisions remained in effect, including the 4.2 million-acre holdback for CCRP and CREP.

C. Proposed Action Alternative (FSA's Preferred Alternative)

The Proposed Action is for FSA to implement changes in General CRP/CCRP/CREP administration based on the requirements of the 2002 Farm Bill. Some of the changes include: increasing the enrollment authority, changing the eligibility and cropping history requirements, implementing a nationwide farmable wetland program, and several additional minor program changes. Environmental-based allocation under the general sign-up would continue. FSA plans to utilize CCRP and CREP in addition to General CRP in its administration of CRP in a balanced way to maximize conservation benefits while minimizing adverse environmental impacts.

D. Environmental Targeting Alternative

Under this alternative, FSA would alter the mix of program goals and change acreage allocations to include CREP and continuous sign-up practices in designated environmentally-sensitive areas. The CRP general sign-up would be eliminated and the benefits produced directly by use of the EBI would be lost. Administration of CRP would then be accomplished using an environmental targeting approach that focuses program resources on addressing national or regional priority conservation goals. This targeting would be consistent with the current primary objectives of the program by targeting soil erosion, water quality, and wildlife habitat objectives in ecological regions, river basins, or impaired watersheds. Different strategies for allocating the additional acreage under the program cap would be evaluated by FSA.

If this alternative were selected, there would be no general sign-up CRP. Therefore, the environmental targeting for general sign-up under the Environmental Benefits Index (EBI) would be lost and there would be an increased risk in not enrolling all the acreage allocated under the 2002 Farm Bill. This would mean less soil, water quality, air quality, and wildlife habitat benefits because fewer acres would be enrolled than under the Proposed Action.

IV. Impacts Under the Alternatives

The environment affected by CRP consists of both the socioeconomic and natural environments associated with or affected by farming and farm conservation programs in the U.S. The natural environment includes the major terrestrial and aquatic eco-regions associated with eligible lands in the U.S. and associated sensitive resources, including:

- Soils.
- Soil and Wind Erosion (including Air Quality).
- Water Resources & Aquatic Species.
- Surface water.
- Total Maximum Daily Loads (TMDLs).
- Groundwater.
- Floodplains.
- Riparian Areas.
- Wetlands.
- Vegetation.
- Grasslands.
- Forestlands.
- Invasive Species.
- Wildlife.
- Wildlife Recreation.
- Threatened and Endangered Species (T&E).
- The social and economic aspects of the affected environment consist of farming from a national perspective and of rural communities that may be affected by CRP enrollment.

The following section summarizes some of the effects that would be expected to occur to the above-mentioned resource areas under each of the four alternatives. Due to the large programmatic scale of CRP, the timing, location, and magnitude of the

environmental effects will differ under the various alternatives.

A. No Program Alternative (Eliminate CRP)

Soil

Soil erosion rates would most likely be greater than 1.9 billion tons/year. Due to increased soil erosion rates, soil quality and productivity would also be adversely impacted.

Water Quality

Surface water quality would be substantially worse due to the loss of multiple benefits provided by vegetative cover established under CRP over the last 16 years. Impact on surface water quality would be significant and more streams would have a TMDL listing.

Groundwater quality and drinking water sources would be adversely impacted due to increased contamination by pesticides and fertilizers from land that would have been enrolled in CRP. Conservation practices targeting water quality improvement would, therefore, not be implemented.

Aquatic habitat and associated water quality would be severely impacted due to high nutrient, pesticide, and sediment runoff from cropland. See Surface and Groundwater impacts for No Program.

Floodplains, Riparian Areas, and Wetlands

Floodplain function would be decreased due to a decrease in permanent vegetative cover and an increase in soil erosion, sediment, and contaminant runoff from associated agricultural lands. There would also be a decrease in associated wetland restoration and riparian areas benefiting floodplain function; a decrease in riparian area function due to a decrease in permanent vegetative cover and an increase in soil erosion, sedimentation, and contaminant runoff from associated agricultural lands; and a decrease in riparian area restoration by 400,000 acres.

Wetlands benefits would decrease due to increased soil erosion rates resulting in sedimentation and contaminant runoff from farmlands. There would be an increase in continued use of farmed wetlands and associated uplands by approximately 3 million acres and a potential increase in wetland conversion caused by agricultural producers not participating in USDA programs regulated by Title XII of the Food Security Act of 1985, as amended. An estimated 600,000 acres of filter strips and wetland buffers would not be installed as a result of selecting this alternative.

Natural Vegetation

Without CRP, 25 million enrolled acres most likely would not have been planted to conservation cover and it might be assumed that the realized positive impacts of that cover type on cropland would be absent or considerably less. Incurred benefits of forestlands to water quality, wildlife, and soil stabilization would not have occurred in the absence of CRP. Incentives to enroll land devoted to the Longleaf Pine Conservation Priority Area (CPA) would not exist.

Wildlife

There would be significant negative impacts on local wildlife populations along with the availability of localized wildlife-based recreation such as viewing, hiking, hunting, and fishing. Continued agricultural practices could have a significant adverse impact on numerous T&E species but to what extent and to which species is unknown. There are some T&E species credited with utilizing CRP-created habitat.

Socioeconomic

On a national level, without CRP, the change in acreage planted to the major crops is expected to be minimal. However, at the local or regional level, there could be a moderate increase in planted acreage creating economic benefits arising from the additional need for farm labor, as well as demand for the services of agricultural businesses. There could also be a possible loss of recreational opportunities and a possible increased uncertainty of producer income, particularly for those non-farming landowners and part-time farmers. The magnitude of uncertainty is likely to be greater at the county or community level than nationally.

Long-term expansion of cropland supply could be beneficial for tenants, lowering rents. In the short term, the increased supply of cropland could raise rents due to temporary increase in productivity. A potentially significant decline in pheasant habitat and recreational benefits nationally and regionally would be seen in the absence of CRP, thus, potentially significantly declining of wildlife viewing benefits currently seen in the Great Plains. A potential modest decline in wildlife viewing benefits in the Northeastern region would also be seen.

Land-use decisions made by producers disconnected from environmental consideration would be based on maximizing market income. This would result in losses in soil quality, water quality, air quality, and wildlife habitat gains.

B. No Action Alternative (Continue CRP as Previously Implemented)

Soils

Soil erosion has decreased by 450 million tons since CRP's inception and additional soil erosion rate reductions would continue under this alternative. Soil quality has increased due to more topsoil left on the land and would continue as additional acreage is enrolled.

Water Quality

Surface water quality would continue to improve as producers enroll land under CRP, thus reducing runoff containing sediments, nutrients, and pesticides. TMDL-listed streams would decrease as cropland is enrolled but this would be based on the conservation practices installed on contract land and whether they directly target the impairments causing the listing.

Drinking water sources and groundwater in general would see a continued positive impact on both water quality and quantity, as cropland is taken out of production and enrolled in CRP. This would result in reduced levels of pesticides and fertilizers being used. Decreased sediment transport rates would produce a positive impact on aquatic species as further cropland is enrolled in CRP. Maintenance of high dissolved oxygen levels and cool water temperatures for aquatic organisms would continue as agricultural land is enrolled as wetland buffers.

Floodplains, Riparian Areas, and Wetlands

Floodplain function would increase due to an increase in permanent vegetative cover and a decrease in soil erosion, sediment, and contaminant runoff from agricultural lands. There would be an increase in associated wetland restoration and riparian areas benefiting floodplain function. Also, there would be an improvement and restoration of natural riparian area functions through increased vegetative cover, and reduced sediment and contaminant runoff from associated agricultural lands. There would also be an increase in riparian areas by 400,000 acres.

Water quality would improve from the reduction in sediment and contaminant runoff from agricultural lands. Wetland function would be restored to 542,278 acres of farmed wetlands and protection of 2.8 million acres of natural and farmed wetlands

from agricultural runoff. An additional 1.6 million acres of wetland restoration and an additional 600,000 acres of filter strips and wetland buffers protecting wetland water quality would be seen.

Natural Vegetation

Native and introduced grass species would continue to be planted on eligible cropland producing residual benefits to water quality and soils. Cropland enrolled and planted to tree practice acreage would continue to cleanse runoff water, silt, and pollutants, protecting and improving streams while simultaneously providing food and shelter for wildlife. The Longleaf Pine CPA would continue to see enrollment of additional tree planting acres and thus provide additional positive benefits to water, soils, and wildlife in that region.

Wildlife

Areas devoted to permanent vegetation, wildlife habitat, and wetlands would continue to provide critical elements for species as more CRP acreage is enrolled. Enrollment targeted toward wildlife habitat enhancement would continue to provide critical resources and establish corridors between fragmented habitats. Continued benefits from the availability of wildlife-based recreation would be a positive impact under this alternative. Wetland restoration would continue to benefit waterfowl and upland game bird species and provide valuable habitat. Wetland buffers would continue to provide additional habitat and protection from human disturbance. Continued enhancement of wildlife habitat could produce positive impacts on T&E species.

Socioeconomic

No adverse impact on farm employment at the regional or state level would occur. However, there could be possible adverse impacts at the county or community level. There is insufficient research to support a definitive conclusion as to the magnitude of either of those impacts. A minimal impact of CRP on cropland supply would be seen. On a national and regional level, the effect of CRP land rent appears to be insignificant. At the State, county, or township level, the impact may be adverse and nominal to moderate in magnitude. There would be no change in recreational benefits.

Landowners would benefit from environmental improvements and stable income stream. Local communities would benefit from enhanced recreation and lower costs to residents and industry from air and water improvements. There could be potentially adverse impacts to tenant farmers and new farm startups.

C. Environmental Targeting Alternative

Soils

States with CREP Agreements would see additional soil erosion reduction in areas targeted if approved practices consist of permanent vegetative cover and approved soil conservation practices. Under most targeting scenarios, erosion could increase as other objectives are emphasized. Minor benefits on soil erosion could be accomplished if multiple regions, States, and watersheds are targeted to specifically address soil erosion by utilizing collaborative decision making of all interested parties and an ecosystem driven conservation initiative. Because of location, gross sheet and rill erosion may be less. Associated soil benefits of wetlands would increase as the FWP is opened to all States. Overall enrollment in general signup acreage would decrease under this alternative. As this enrollment declines, national benefits of soil erosion reduction would be significantly less.

Water Quality

States with CREP Agreements would see additional water quality benefits in areas targeted if approved practices consist of water quality enhancement conservation practices. Moderate positive impacts on water quality could be accomplished if multiple regions, States, and watersheds are targeted to address water quality impairments by using collaborative decision making of all interested parties and an ecosystem driven conservation initiative. This idea could be most beneficial when addressing effects in the Gulf of Mexico and the Chesapeake Bay Region. TMDL-listed streams would likely decrease based on the specific environmental targeting of those watersheds in the National Environmental Target Area (NETA) that have been identified as contributors to the large-scale water quality impairment problem. Overall enrollment in general CRP signup acreage would decrease under this alternative. As this enrollment declines, so would the positive impacts these acres play at maintaining good water quality.

States with CREP Agreements would see additional groundwater quality benefits if areas targeted are known groundwater source areas and if approved practices consist of water quality enhancement conservation practices. No real national impacts to groundwater quality can be accomplished if multiple regions, States, and watersheds are targeted to address groundwater quality impairments. This would be due to the fact that groundwater issues tend to be more localized and could therefore be better addressed through the CREP Agreements. TMDL-listed streams could decrease based on the specific environmental targeting of those watersheds in the NETAs that have been identified as having common groundwater quality problems. Overall enrollment in general CRP signup acreage would decrease under this alternative along with the subsequent positive impacts on groundwater quality and quantity.

States with CREP Agreements would see additional water quality benefits in areas targeted which would provide aquatic species with the optimal conditions for species success but only if approved practices consist of water quality enhancement conservation practices that have been proven to directly benefit aquatic species and their associated habitat. Minor national benefits to aquatic species could be accomplished by targeting water quality issues in multiple regions, States, and watersheds that are impaired severely. Overall, enrollment in General CRP signup acreage and associated benefits to aquatic species would decrease under this alternative.

Floodplains, Riparian Areas, and Wetlands

Beneficial impacts to floodplains as described under the No Action Alternative would possibly be seen in States with CREP Agreements. Positive benefits to floodplains could be accomplished by targeting floodplain and related resource issues in multiple regions, States, and watersheds. Overall enrollment in general CRP signup acreage and associated benefits to floodplains and riparian areas would be decreased under this alternative. However, the beneficial impacts to riparian areas as described under the No Action Alternative would be seen in States with CREP Agreements. Positive benefits to riparian areas can be accomplished by targeting riparian areas and related resource issues in multiple regions, States, and watersheds.

Natural Vegetation

Beneficial impacts to wetlands as described under No Action Alternative in States with CREP Agreements. Benefits to wetlands could be accomplished by targeting wetlands and related resource issues in multiple regions, States, and watersheds. Overall,

enrollment in General CRP signup acreage and its associated benefits to wetland areas would be decreased under this alternative.

States with CREP Agreements would see additional benefits associated with grasslands in areas targeted by approved CREP agreements, if approved practices consist of native grass species establishment conservation practices. Overall, enrollment in General CRP signup acreage and associated benefits to grasslands would be decreased under this alternative.

States with CREP Agreements would see additional benefits associated with forestlands targeted by approved CREP agreements, if approved practices consist of tree planting conservation practices. The direct positive impact of forestland restoration would benefit local CREP regions in a State by improving and protecting soil quality, water quality, and wildlife habitat, and by creating more opportunities to enjoy nature. Benefits on forestlands if multiple regions, States, and watersheds are targeted to address forestland restoration and protection would be most beneficial in the current Longleaf Pine CPA and other National Forestland areas in ecological impairment. Overall, enrollment in General CRP signup acreage and associated benefits to forestlands would be decreased under this alternative.

Wildlife

States with CREP Agreements would see additional wildlife benefits in areas targeted if approved practices consist of wildlife enhancement or wetland restoration conservation practices. Positive benefits to wildlife could be accomplished if multiple regions, States, and watersheds are targeted at specifically addressing wildlife habitat enhancement by utilizing collaborative decision making of all interested parties and an ecosystem-driven conservation initiative. Overall enrollment in General CRP signup acreage and associated benefits would be decreased under this alternative.

Benefits to T&E species and their habitat are not as likely at this level unless the species or habitat targeted encompasses large geographic areas, multiple States, or numerous watersheds. States with CREP Agreements would see additional T&E species and habitat benefits in areas targeted if approved practices consist of conservation practices targeting the species or species habitat in question.

Socioeconomic

Insignificant effect would be demonstrated on agricultural employment at the regional and State level with a potential increased uncertainty of producer income particularly for those non-farming landowners and part-time farmers. The magnitude of uncertainty is likely to be greater at the county or community level than at the regional or national level. There would likely be a change in the regional distribution of enrolled land with the decreased probability of the enrollment of entire fields providing a benefit in the increased supply of rental land. A potential increase in the supply of cropland and a possible reduction in enrollment due to it being a voluntary program would not ensure that all allocated acres are enrolled. The cost would be prohibitive. Some currently participating communities may experience reduced benefits. These impacts would be more concentrated in communities located in or near areas of program.

D. Proposed Action Alternative (FSA's Preferred Alternative)

Soils

Cumulative positive impacts on soils would continue as CRP is reauthorized and contracts are approved for 10 to 15 years with additional acreage allocated toward the program. The increased acreage could potentially reduce soil erosion by another 40 million tons. Marginal pastureland being devoted to vegetative cover would allow these areas to implement practices to help reduce soil erosion and reduce sediment runoff on these land types. An increase in the cropping history requirement has the potential to moderately impact soils by targeting cropland that has been under more intensive production and thus possibly more vulnerable to wind and water erosion than currently required to enroll in CRP. However, positive impacts would continue on those already vegetative areas because the new cropping history provision makes the breaking of new ground to create a cropping history impossible. Infeasible-to-farm areas smaller than 50 percent of the field size enrolled along with a buffer would contribute to some enhancement of soil quality, but only if enrolling it would contribute to reduced soil erosion rates. The ability to continue with existing cover where practicable and consistent with wildlife benefits of CRP would benefit soils by not removing the established vegetative cover. The potential for wind and water erosion on plowed fields would decrease. Managed haying, grazing, and harvesting will increase plant diversity and vigor. These practices should not produce any adverse impacts on soils because they must be included in the conservation plan or in the land management plan prior to contract approval. CREP Agreements would target areas within States to provide positive benefits to soil quality. Continued positive impacts on long-term soil quality would occur if States place CREP land under easement. Associated soil benefits of wetlands would increase as the FWP is opened to all States.

Water Quality

Major positive impacts on surface water quality would continue as CRP is reauthorized and contracts are approved for 10 to 15 more years with additional acreage allocated toward the program and additional acres being enrolled to replace expiring acres. A 40-million ton decrease in sediment would correlate to an increase in water quality and a decrease in nutrient and pesticide loads. Positive impacts in terms of reduced nonpoint source (NPS) pollutant loading to achieve TMDL's would occur when producers enroll land that has been cropped (4 out of 6 years prior to 2002 Farm Bill enactment), but the impact would be important only if contract land is located within a watershed having NPS issues. Marginal pastureland being devoted to vegetative cover would allow these areas to implement practices to help improve water quality and reduce sediment runoff on these land types. Infeasible to farm areas smaller than 50 percent of the field size enrolled along with a buffer would contribute to the enhancement of water quality, but only if conservation practices targeted at improving water quality are adopted. The ability to continue with existing cover where practicable and consistent with wildlife benefits of CRP would benefit water quality by not removing established vegetative cover and decreasing the potential for wind and water erosion on plowed fields. Managed haying, grazing, and harvesting practices should not produce adverse impacts on surface water based on the premise that the practices must be included in the conservation plan or in the land management plan prior to contract approval. Associated water quality benefits of wetlands would increase as FWP goes nationwide. CREP Agreements would target areas within States to provide positive benefits to water quality. CCRP would provide buffers along streams to reduce sediment runoff and subsequent water quality improvements would give direct positive benefits to aquatic species.

There would be continued cumulative positive impacts on groundwater quality

as CRP is reauthorized and contracts are approved for 10 to 15 years with additional acreage allocated toward the program and additional acres being enrolled to replace expiring ones. Drinking water sources and groundwater in general would see a continued positive impact on both water quality and quantity, as cropland is taken out of production and enrolled in CRP. This would result in reduced levels of pesticides and fertilizers being used. Marginal pastureland being devoted to vegetative cover would allow these areas to implement practices to help improve groundwater quality and reduce chemical leaching on these land use types. An increase in the cropping history requirement has the potential to produce a positive impact on groundwater by targeting cropland that has been under more intensive production and thus possibly more vulnerable to leaching than currently required to enroll in CRP. Certain infeasible to farm areas less than 50 percent of the field size enrolled along with a buffer would contribute to some enhancement of groundwater quality, but only if conservation practices targeted at improving water quality are installed. The ability to continue with existing cover where practicable and consistent with wildlife benefits of CRP would benefit water quality by not removing established vegetative cover and decreasing the potential for wind and water erosion on plowed fields. Managed haying, grazing, and harvesting should not produce adverse impacts on surface water based on the premise that it must be included in the conservation plan or in the land management plan prior to contract approval. Associated groundwater quality benefits of wetlands would increase as FWP goes expands to all States. CREP Agreements would target areas within States to provide positive benefits to groundwater quality.

Floodplains, Riparian Areas, and Wetlands

The expansion of FWP would allow for an increased distribution and acreage of wetland restoration and buffers nationwide, decreasing the rate of sediment transport to adjacent water bodies and increasing the associated aquatic species benefits described under the No Action Alternative. The size of eligible wetlands would be increased from 5 acres to 10 acres, providing an increase in potential acreage that could benefit aquatic species by 2.8 million acres. Managed haying, grazing, and harvesting should not produce adverse impacts to aquatic species based on the premise that requirements for these practices must be included in the conservation plan or in the land management plan prior to contract approval, so aquatic species associated with the environmentally targeted enrolled land are not adversely affected. CREP Agreements would target areas within States to provide positive benefits to aquatic species. CCRP would provide buffers along streams to reduce sediment runoff, and subsequently improve water quality, which would have direct positive benefits on aquatic species.

Beneficial impacts to floodplains, as described under the No Action Alternative, would continue as CRP is reauthorized and contracts are approved for 10 to 15 more years with additional acreage allocated toward the program and additional acres being enrolled to replace expiring acres. There would be an increase in potential acreage of beneficial impacts to floodplains by 2.8 million acres. There would be continued benefits from hardwood tree contracts associated with floodplains for an additional year. Beneficial impacts to floodplains in States with CREP Agreements in place would be the same as those described under the No Action Alternative. Also, permanent easements under CREP would provide continued maintenance of floodplains functions and values.

Beneficial impacts to riparian areas, as described under the No Action Alternative, would continue as CRP is reauthorized and contracts are approved for 10 to 15 years with additional acreage allocated toward the program and additional acres being enrolled to replace expiring ones. There would be an increase in potential acreage of beneficial impacts to riparian areas by 2.8 million acres and continued benefits from hardwood tree contracts associated with riparian areas for an additional year. There would also be benefits from devotion of marginal pastureland to vegetation, particularly trees in riparian areas. The use of CCRP would target riparian areas by protecting them as buffers with permanent vegetative cover, which would reduce runoff. The ability to continue with existing cover where practicable and consistent with wildlife benefits of CRP will benefit associated riparian areas. Beneficial impacts to riparian areas in States with CREP Agreements in place would be the same as those described under the No Action Alternative. Also, permanent easements under CREP would provide continued maintenance of these riparian areas functions and values. Permitting haying and grazing in response to drought or other emergencies should have minor impacts on riparian areas. Potential increase in eligible acreage for buffer establishment when more than 50 percent of the field is eligible for enrollment and the other half is infeasible to farm. The increased distribution and acreage of wetland restoration and buffers nationwide through FWP expansion will benefit eligible associated riparian areas.

Beneficial impacts to wetlands, as described under the No Action Alternative, would continue as CRP is reauthorized and contracts are approved for 10 to 15 years with additional acreage allocated toward the program and additional acres being enrolled to replace expiring ones. There would be an increase in potential acreage of beneficial impacts to wetlands by 2.8 million acres. Land eligibility for CRP re-enrollment will extend associated beneficial impacts to wetlands for another 10 to 15 years. There would be continued benefits from hardwood tree contracts associated with wetlands for an additional year and an increase in potential wetland acres from conversion of marginal pastureland to wetlands. The ability to continue with existing cover where practicable and consistent with wildlife benefits of CRP will benefit wetland water quality by not removing established vegetative cover and increasing the potential for wind and water erosion on plowed-up fields. There would be beneficial impacts to wetland water quality from increased conservation of surface and groundwater in agricultural operations. An increased distribution of wetland restoration and buffer acreage would potentially be seen nationwide through the expansion of FWP. Wetland functions would potentially increase through FWP expansion of allowable wetland restoration acreage from 5 to 10 acres. State CREP Agreements could target sensitive areas with large numbers of wetlands and permanent easements could provide protection of wetlands and associated buffers.

Natural Vegetation

Grasslands throughout the country would benefit as more acreage is enrolled implementing the establishment of grass cover. However, new EBI scoring is currently being developed in connection with new regulations to implement CRP in accordance with the provisions of the 2002 Farm Bill. Ecological benefits associated with tree planting conservation practices would continue for an additional 10 to 15 years. Additional croplands enrolled and planted with tree practices would continue to cleanse silt and pollutants from runoff water, especially if installed

in riparian areas, thereby protecting and improving streams while simultaneously providing food and shelter for wildlife for an additional 10 to 15 years of CRP contracts. Marginal pastureland in additional tree practice acreage would continue to be enrolled along with other continuous practices that involve tree plantings, such as: Shelter belts, field windbreaks, and living snow fences implemented on sensitive cropland enrolled. However, the new provision would allow grasses, forbs, and shrubs to be planted on marginal pastureland along with trees, resulting in a positive impact through the creation of habitat from which multiple species may benefit. State CREP Agreements would target areas where plantings of certain species, such as hardwoods, would improve local ecosystems and provide associated benefits to water quality and wildlife.

Wildlife

Land with wildlife habitat benefits could be increased by almost 3 million acres. However, the amount of quality habitat would be dependent on the types of vegetation planted. Managed haying, grazing and harvesting, along with wind turbine placement, if done correctly and in accordance with conservation plans, would have little or no impact on resident wildlife. Permitting existing cover to continue, where practicable and consistent with wildlife benefits of CRP, would continue to have lasting positive impacts on wildlife habitat already established with vegetative cover. This would be true as long as the maintenance schedule documented in the conservation plan is followed. An increase in acreage allocated to CRP could increase the amount of upland game habitat, habitat used by birds and neo-tropical migrants and the amount of protected wetlands, simultaneously and proportionally increasing the recreation chances for those people who like to bird watch, hunt, fish, and to enjoy nature. State CREP Agreements would target specific areas with needs associated with wildlife habitat protection and restoration and achieve additional benefits. Permanent protection of wildlife through the use of easements could also be achieved with the use of State CREP Agreements. CCRP could provide positive benefits to certain wildlife species by establishing grassed and forested buffers.

Additional acreage allocated to CRP could potentially have a positive impact on almost 3 million additional acres of protected land that could be used, in part, as habitat by many T&E species. States with CREP Agreements would see additional T&E species and habitat benefits in areas targeted by the approved CREP agreement, if approved practices consist of conservation practices targeting the species or species habitat in question.

Socioeconomic

There would be insignificant adverse impacts on agricultural employment in areas gaining in CRP enrollment and potential insignificant adverse impacts on agricultural employment in areas losing CRP enrollment. No impact would be predicted on agricultural land rents at the regional and national level. Reallocation of income within the local economy with possible increased agricultural output, income in non-agricultural sectors of the economy and additional spending on agricultural inputs. Reallocation could affect leakage of value added from the local economy. There would be potential beneficial, long-term and nominal to moderate increase in agricultural land values from a reduction in the cropland supply and the capitalization of CRP income into land value. A potential increase in recreational opportunities and shifts in recreational opportunities between regions would provide certainty to the participants of CRP-related income over the long term.

The impacts would be similar to those identified under No Action Alternative. The changes would improve program performance and increase flexibility but would not substantially alter program effects on social community.

V. Rationale for Decision

The Proposed Action Alternative complies with the 2002 Farm Bill, provides FSA the most flexibility in terms of program implementation and environmental targeting, increases the significant positive benefits of CRP, and is the most balanced approach to achieving long-term program goals. The No Program Alternative was used as an analytical baseline. The Current Program Alternative would continue to produce positive benefits but without the enhancements of the 2002 Farm Bill. The Environmental Targeting Alternative runs a risk of under-enrollment and, therefore, lost environmental benefits. Many of the beneficial aspects of the environmental targeting alternative are already included in the proposed action through CREP and CCRP.

VI. Implementation and Monitoring

FSA will implement CRP, CREP, CCRP and FWP in a manner that provides the greatest amount of benefits to the environment while causing the least amount of adverse impacts. FSA will ensure that impacts are minimized through a process of completing site specific environmental evaluations for each approved contract as well as programmatic environmental assessments for CREP agreements.

Signed in Washington, DC, on May 2, 2003.

James R. Little,

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