

Water Policy Report

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Senators Add Conservation Requirements To Crop Insurance In Farm Bill

Senators during floor debate on the Farm Bill added a provision requiring recipients of federal crop insurance subsidies to engage in soil conservation practices and protect wetlands, a measure that a wide swath of industry and environmental organizations touted as critical for protecting water quality from nutrient pollution.

The amendment, introduced by Sen. Saxby Chambliss (R-GA), was adopted by a 52-48 vote on the Senate floor June 20. It requires recipients of federal crop insurance subsidies to put in place approved soil conservation plans for highly erodible land and would require recipients of crop subsidies to not drain wetlands.

The provision has been championed by the Healthy Waters Coalition — whose members include environmental groups, water utility organizations and sustainable agriculture organizations — which earlier this year set out a series of priorities for the Farm Bill, with the coupling of crop insurance and conservation practices primary among them.

One source with the National Sustainable Agriculture Coalition — a member of the Healthy Waters Coalition — says the adoption of the Chambliss amendment was a major victory, and that it would go a long way to ensuring that best management practices (BMPs) are required in the Farm Bill for controlling erosion. BMPs for controlling runoff have long been required as a part of other federal subsidies, including direct payments, the source says, but in recent years crop insurance has made up an increasingly greater share of federal farm subsidies, and it is only expected to get larger.

“The slice of producers that are enrolled in the crop insurance program but that are not subject to conservation requirements is very small — less than 2 percent of producers nationwide — but we expect [the program] to grow dramatically over time,” the source says. “The next time to revisit [the Farm Bill] is in five years, and in five years that slice that is in crop insurance but not receiving conservation payments or direct payments will be larger, and will probably only get bigger. So if we don’t do this now, it will be harder in the future.”

Conservation practices were first tethered to crop insurance in the 1985 Farm Bill, which explicitly encouraged conservation practices. In the 1996 Farm Bill, however, those requirements were stripped away in order to encourage more producers to enroll in the crop insurance program. Chambliss’ amendment would reapply the same requirements that were in the 1985 Farm Bill, the source says.

But the provision’s future in the House remains unclear. House Agriculture Committee Chairman Frank Lucas (R-OK) has scheduled a committee markup of the bill for July 11, and though a draft of the bill has not yet been released, he told the *Oklahoma Farm Report Online* recently that he is “hesitant” to include a provision like the Chambliss amendment, saying he has “a little difficulty with attaching additional provisions” on recipients of crop insurance subsidies.

But the sustainable agriculture source says Lucas may yet come around to the measure and that the coalition is working diligently to ensure that the measure is included in the final version of the House bill, or that if it is not, to ensure that it is included in the version of the bill that emerges from the conference committee between the two chambers.

“I think he’s [Lucas] reluctantly open to it,” the source says. “I think Lucas recognizes more than anyone else that this is not just a requirement for the sake of conservation, but for the sake of future generations of farmers. As I see it, he and many other members, both Republicans and Democrats, are open to the possibility. . . .”

The amendment comes as the Environmental Law Institute (ELI) released a report June 28 detailing contribution of large-scale agriculture operations to nutrient pollution in the nation’s waterways, finding that a significant portion of nutrient runoff originates from commodity crop operations and that it is among the few industrial sectors that are exempt from existing environmental laws like the Clean Water Act.

The ELI report further calls for all recipients of federal agriculture subsidies — including crop insurance — to be required to install certain minimum pollution control BMPs as a condition of those subsidies. Those requirements should build on, rather than be limited to, the soil conservation requirements outlined in the Farm Bill, the report says.

“Not only is there ample precedent generally for attaching reasonable, practical conditions to federal payments to ensure that the dollars are used wisely and in a manner that is not counter to other public policy priorities, but the conservation compliance requirements for soil erosion provide a track record of success under the Farm Bill,” the report reads. “It should be feasible to build on this existing, common-sense approach.”